

March 2011



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

Продовольствен
ная и
сельскохозяйств
енная
организация
Объединенных
Наций

Organización
de las
Naciones Unidas
para la
Agricultura y la
Alimentación

PROGRAMME AND FINANCE COMMITTEES

**Hundred and Sixth Session of the Programme Committee and
Hundred and Thirty-eighth Session of the Finance Committee**

Rome, 21 - 25 March 2011

**Mid-term Review Synthesis Report – 2010
(of the Programme of Work and Budget 2010-11)**

Table of Contents	Page
I. Mid-Term Review Process	3
II. Overview of implementation at mid-term	4
A. Progress Towards Results	4
B. Financial Performance	6
III. Further efficiency gains and one-time savings	9
IV. Summary Implementation Review (Strategic and Functional Objectives)	12
<i>Annex I: Annual Report on Budgetary Performance 2010-11 and Budgetary Transfers in the 2010-11 Biennium</i>	46

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

Mr Boyd Haight
Director, Office of Strategy, Planning and Resources Management
Tel. +39 (06) 570-55324

This document is printed in limited numbers to minimize the environmental impact of FAO's processes and contribute to climate neutrality. Delegates and observers are kindly requested to bring their copies to meetings and to avoid asking for additional copies. Most FAO meeting documents are available on the Internet at www.fao.org

Executive Summary

- The Mid-Term Review (MTR) Synthesis Report (of the Programme of Work and Budget 2010-11) keeps the Programme and Finance Committees informed of progress in implementing the approved programme of work, and facilitates governing body decision-making on proposed shifts in resources between budgetary chapters in order to achieve the agreed biennial results.
- The Synthesis Report for 2010 provides:
 - i. a summary of the MTR process and lessons learnt;
 - ii. an overview of implementation of the programme of work, including progress towards results, financial performance, and progress in achieving further efficiency gains and one-time savings;
 - iii. a summary of implementation, including performance ratings, for each Organizational Result under the Strategic and Functional Objectives;
 - iv. for review and approval by the Finance Committee, the Annual Report on Budgetary Performance 2010-11 and Budgetary Transfers in the 2010-11 Biennium (Annex 1).
- The present Mid-Term Review Synthesis Report is FAO's first experience with annual performance monitoring and reporting under the new results-based framework. As such, the format and content of this inaugural Report represents a work-in-progress. It is expected that successive Synthesis Reports will benefit from guidance received from the Committees, as well as from applying lessons learnt during this first iteration of the mid-term review process. Initial lessons learnt include the close linkages between results-based monitoring and IPA initiatives on human resources, culture change and enterprise risk management.
- In terms of progress towards the achievement of results, 50 of the 56 Organizational Results are rated "on track". Key success factors include the importance of working in partnerships, ensuring country level commitment, and leveraging of resources. Lessons learnt include the importance of programmatic linkages and the value of applying learning to improve future performance. Main remedial actions required during 2011 include the filling of vacancies, review of decentralized skill mix, and improved alignment of extrabudgetary resources to Organizational Results. The success factors, lessons learnt and remedial actions have been taken into account when identifying the areas of programmatic emphasis and de-emphasis for the PWB 2012-13.
- In terms of financial performance, over 45 percent of the net appropriation and 54 percent of the available extrabudgetary resources under the Strategic and Functional Objectives has been expended during 2010. Forecast biennial expenditure from available extrabudgetary resources is 28 percent higher than the amount estimated in the PWB 2010-11.
- Further efficiency gains and one-time savings will be achieved as per expectations. Examples are provided of measures to increase the efficiency and effectiveness of delivering FAO's programmes, funded through the Innovation Fund.

Suggested action by the Programme and Finance Committees

- The Committees are requested to:
 - review the progress towards achievement of results and financial performance contained in the Report, and advise on any necessary adjustments to the agreed Programme of Work;
 - provide guidance on improving the format and content of future MTR Synthesis Reports.

Box 1: Main components of FAO's results framework**FAO's vision**

A world free of hunger and malnutrition where food and agriculture contributes to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner.

The three Global Goals of Members:

- reduction of the absolute number of people suffering from hunger, progressively ensuring a world in which all people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
- elimination of poverty and the driving forward of economic and social progress for all, with increased food production, enhanced rural development and sustainable livelihoods;
- sustainable management and utilisation of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.

Strategic Objectives

- A. Sustainable intensification of crop production
- B. Increased sustainable livestock production
- C. Sustainable management and use of fisheries and aquaculture resources
- D. Improved quality and safety of foods at all stages of the food chain
- E. Sustainable management of forests and trees
- F. Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture
- G. Enabling environment for markets to improve livelihoods and rural development
- H. Improved food security and better nutrition
- I. Improved preparedness for, and effective response to, food and agricultural threats and emergencies
- K. Gender equity in access to resources, goods, services and decision-making in the rural areas
- L. Increased and more effective public and private investment in agriculture and rural development

Functional Objectives

- X. Effective collaboration with Member States and stakeholders
- Y. Efficient and effective administration

Core Functions

- a. Monitoring and assessment of long-term and medium-term trends and perspectives
- b. Assembly and provision of information, knowledge and statistics
- c. Development of international instruments, norms and standards
- d. Policy and strategy options and advice
- e. Technical support to promote technology transfer and build capacity
- f. Advocacy and communication
- g. Inter-disciplinarity and innovation
- h. Partnerships and alliances

I. Mid-Term Review Process

Context

1. In approving the Strategic Framework 2000-19, the Medium-Term Plan 2010-13 and various changes to the Basic Texts emanating from implementation of the Immediate Plan of Action for FAO Renewal, the FAO Conference put in place a results-based framework for planning, monitoring and reporting on the Organization's work under all sources of funds.
2. Performance monitoring and reporting is an essential part of effective results-based management. It is a timely source of information, a tool for in-course correction and for assisting in forward planning. The expected benefits are improved programme delivery and achievement of Organizational Results.
3. Following on a round of consultations with the Programme and Finance Committees during 2010, the Council approved the three main elements of the performance monitoring and reporting arrangements under the FAO results-based framework: (i) Work plan monitoring; (ii) the Mid-Term Review; and (iii) the End-of-biennium assessment.
4. The Mid-Term Review Synthesis Report keeps the Programme and Finance Committees informed of progress in implementing the approved programme of work, and facilitates governing body decision-making on proposed shifts in resources between budgetary chapters in order to achieve the agreed biennial results. It also provides management information for informed decision-making on implementation adjustments for the remainder of the biennium and the development of plans for the coming biennium.
5. The present Mid-Term Review Synthesis Report represents the Organization's first experience with annual performance monitoring and reporting under the new results-based framework. As such, the format and content of this inaugural Report represents a work-in-progress. It is expected that successive Reports will benefit from guidance received from the Committees, as well as from applying the lessons learnt during this first iteration of the mid-term review process.

Mid-Term Review process

6. The Mid-Term Review (MTR) is carried out at the end of the first year of each biennium. It is a qualitative self-assessment by managers which builds upon and supplements ongoing and mid-year work plan monitoring. Each unit (regional and subregional office, headquarters division and liaison office) assesses progress towards the achievement of its unit result contributions to Organizational Results agreed within the Organization-wide Strategy Teams. Using information generated through an Organizational "roll up" process, Organization-wide Strategy Team Leaders are then in a position to make an assessment of overall progress towards the achievement of the Organizational Results.
7. The MTR relies on focused data collection and the use of colour-coded 'stoplight ratings' to communicate findings. The ratings are as follows:
 - Green: "On track": progress towards achievement of the result is as foreseen and impediments and risks are not expected to significantly affect progress;
 - Yellow: "Requires attention": some implementation issues have been identified that could impede, delay or otherwise put at risk achievement of the result; some remedial action is needed to overcome these issues;
 - Red: "In jeopardy": serious impediments or risks have been identified that are expected to significantly alter progress towards achievement of the result; fundamental remedial action is required to overcome these issues.
8. The MTR alerts unit managers to individual unit results which might require special attention or corrective action, and Organization-wide Strategy Team Leaders to overall issues affecting the achievement of the Organizational Results requiring a coordinated response by the Team.

9. The process for preparation of the MTR has been aligned to the preparation of the next Programme of Work and Budget – in particular, to the identification of areas of programmatic emphasis and de-emphasis based on experience in the first year of the current biennium.

Lessons learnt in the first MTR experience

10. The 2010 Mid-Term Review process was the Organization's first exercise in performance monitoring and reporting against the new results-based frameworks. Two main lessons emerged for improving the process.

11. One lesson is the need to strengthen the incentives and mechanisms that draw results potentially at risk to the attention of Management at headquarters and in the regions, by ensuring that implementation status is appropriately rated. As the behavioural changes and incentives required to fully implement results-based management begin to take hold, this issue will gradually decrease in importance. The IPA initiatives on Human Resources and Culture Change will contribute to the necessary behavioural changes.

12. Another lesson is the need for providing better tools and methods to Strategy Teams and unit managers to take a more systematic approach to risk management. These tools and methods will gradually become available during 2011, as Enterprise Risk Management (ERM) is piloted and progressively rolled-out across the Organization. It is expected that the ERM initiative will improve the ability of managers to manage for results, by providing a solid basis upon which to identify and analyze factors with the potential to impede the achievement of results, and design appropriate mitigation measures.

Structure of the Mid-Term Review Synthesis Report

13. Following on this brief overview of the MTR process, the Synthesis Report for 2010 provides:

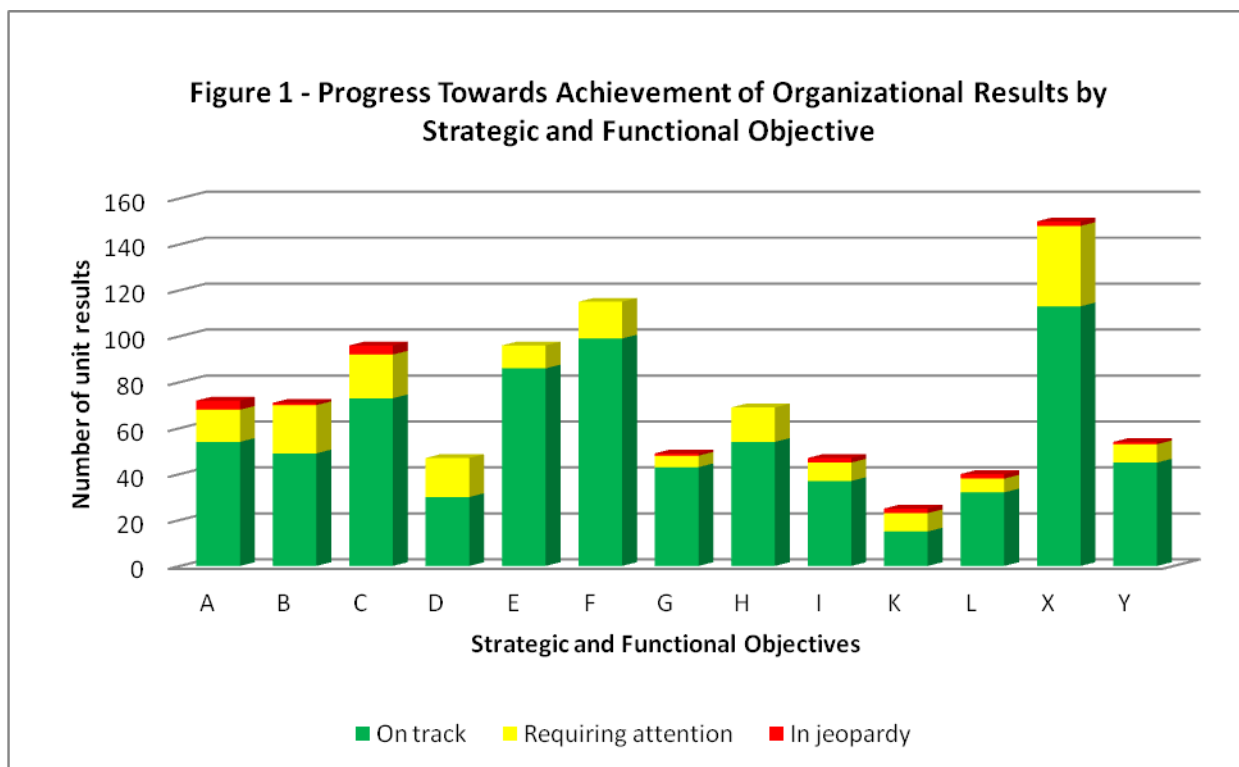
- an overview of implementation of the programme of work: progress towards results; financial performance; and progress in achieving further efficiency gains and one-time savings;
- a summary of implementation, including performance ratings, for each Organizational Result under the Strategic and Functional Objectives;
- for review and approval by the Finance Committee, the Annual Report on Budgetary Performance 2010-11 and Budgetary Transfers in the 2010-11 Biennium.

II. Overview of implementation at mid-term

14. This section provides an overview of implementation after the first year in terms of progress toward achievement of Organizational Results, financial performance for 2010, and progress in attaining efficiency gains and one-time savings. The Annual Report on Budgetary Performance 2010-11 and Budgetary Transfers in the 2010-11 Biennium is provided in Annex I for review and approval by the Finance Committee, in accordance with Financial Regulation 4.5(b).

A. Progress Towards Results

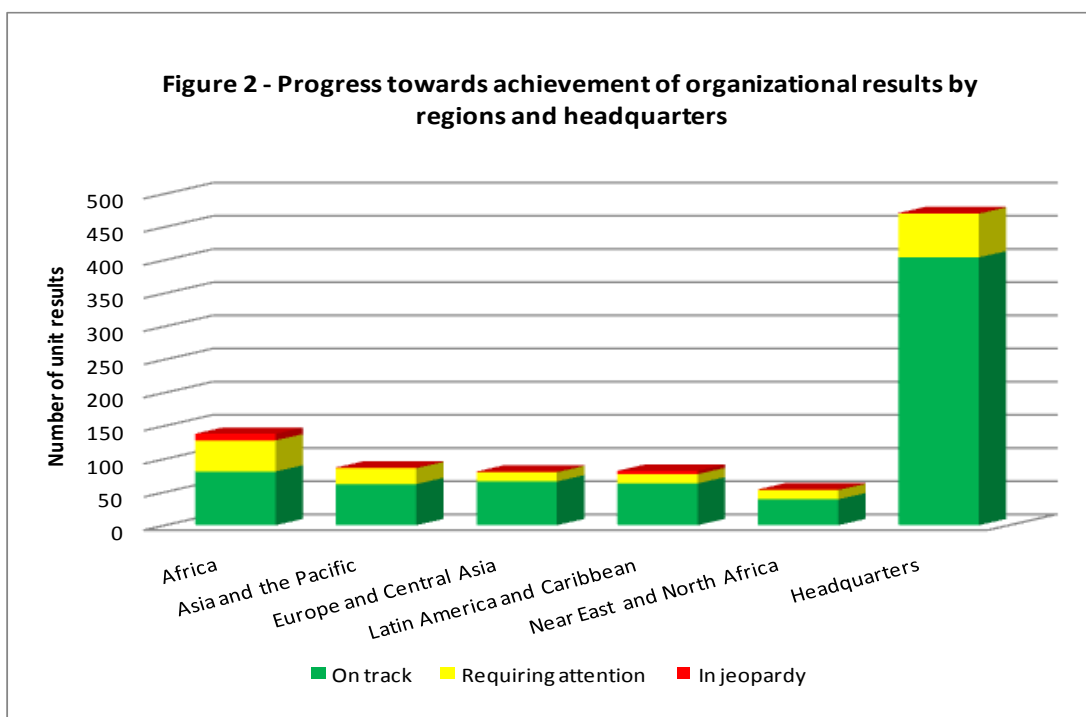
15. A graphical overview of progress towards the achievement of the Organizational Results under the Strategic and Functional Objectives is shown in Figure 1. The graphic provides an at-a-glance sense of the distribution of ratings assigned by managers to their unit result contributions to Organizational Results for each of the Strategic and Functional Objectives.



(see list of Strategic and Functional Objectives in Box. 1)

16. Overall, some areas of work “requiring attention” have been identified for all eleven Strategic Objectives, while seven out of the eleven have a few areas of work “in jeopardy” of not being achieved. Both of the Functional Objectives have identified some areas of work requiring attention, as well as in jeopardy of not being achieved.

17. A graphical overview of the ratings assigned to unit result contributions to organizational results by each of the five FAO regions and for headquarters is provided in Figure 2. This gives an indication of the relative progress achieved by location.



18. The specific impediments and management actions identified to address them are provided at the level of Organizational Results in *Section III: Summary Implementation Review*. A number of general success factors, lessons learnt and required actions emerge from the implementation review.

Success factors

19. *Working in partnerships*. Working with external partners allowed the Organization to intervene where it has a clear comparative advantage, while partnering internally strengthened cross-disciplinary approaches that FAO is able to bring to bear on development problems, including through the decentralized network.

20. *Country level commitment*. A key success factor in progress toward achievement of the Organizational Results, the majority of which are measured in terms of country-level uptake of FAO's products and services, is country level commitment. This highlights the importance of a participative approach with a central focus on stakeholder needs in the formulation of FAO's interventions.

21. *Leveraging of resources*. In the context of the Organization's integrated budgeting approach, the Organization's ability to leverage the necessary resources is critical to achievement of results, although action is required to better align voluntary contributions with results.

Lessons learnt

22. *Programmatic linkages*. A key lesson learned during 2010, to be built on for future strategic and work planning cycles, regards the need to strengthen the programmatic linkages both within and across the Strategic Objectives. This will allow the Organization to better coordinate the provision of services to key user groups, take advantage of synergies and reduce overlaps. It will require reinforcing the Strategy Teams, as well as mechanisms for coordinating work across Strategic Objectives.

23. *Applying learning*. Based on the Organization's initial experience in results-based performance monitoring, the importance of applying learning to improve future performance is already evident. This augurs well for FAO in its efforts to institute a culture of managing for results, as managers begin to see tangible benefits in programme delivery.

Actions required

24. *Filling of vacancies*. Many of the impediments identified in the Mid-Term Review relate to the shortfall in technical capacity, often at decentralized level. Actions to accelerate recruitment were put in place during 2010 and will be further strengthened during 2011.

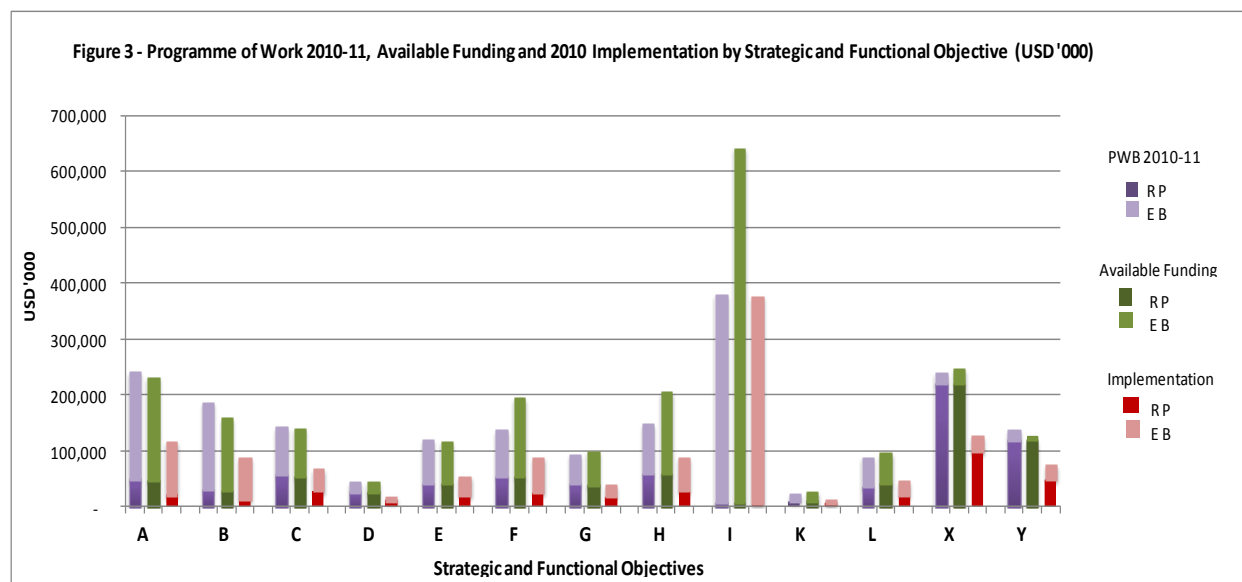
25. *Review of decentralized skill mix*. In a number of cases, the decentralized offices need new technical capacity to cope with the priorities identified at regional, subregional and national levels. A review of the mix of technical skills in the decentralized offices will be undertaken in the context of the *Vision for the structure and functioning of Decentralized Offices*.

26. *Alignment of extrabudgetary resources to Organizational Results*. In a number of cases, impediments identified within the Organizational Results relate to a shortfall or delay in receipt of expected voluntary contributions. While the total estimated availability of voluntary contributions during 2010-11 exceeds the PWB 2010-11 estimates by some 28 percent, the distribution of these resources varies in some cases from the PWB estimates. Therefore, some areas of work within the Strategic Objectives have benefited from additional voluntary contributions, while others have not attracted sufficient funds. This could affect the achievements against indicator targets to be reported in the Programme Implementation Report, and it highlights the need to ensure, through the resource mobilization and management strategy, that resources mobilized are better aligned to Organizational Results.

B. Financial Performance

27. The PWB 2010-11 was approved at a budget level of USD 1,000.5 million for the Regular Programme net appropriation, of which USD 749 million was programmed under the Strategic and Functional Objectives and the balance budgeted for the Technical Cooperation Programme, FAOR

Programme, Capital Expenditure, Security Expenditure and Contingencies. Projected extrabudgetary voluntary contributions to help implement the results-based programme of work were estimated at USD 1,246 million, of which USD 1,231 million was associated with the Strategic and Functional Objectives and the small balance estimated under the FAOR Programme and Security Expenditure. The 2010-11 budgeted and available resources, and 2010 rate of implementation for the Strategic and Functional Objectives, are shown in Figure 3 and explained below.



28. For the *Regular Programme net appropriation*:

- The *PWB 2010-11* figures reflect the Regular Programme net appropriation after adjustments for efficiency gains and one-time savings and a technical adjustment for standard rates in the decentralized offices, as explained in the Annual Report on Budgetary Performance and Budgetary Transfers in the 2010-11 Biennium (*Annex I*).
- The *available funding* reflects the adjustments among budgetary chapters arising from the preparation of biennial work plans, as endorsed by the Finance Committee at its October 2010 session¹.
- *Implementation* refers to expenditure at the end of 2010, i.e. after the first year of implementing the PWB 2010-11, and is based on the unaudited accounts of the Organization; over 45 percent of the net appropriation for the Strategic and Functional Objectives was expended in 2010.

29. For *extrabudgetary resources* (i.e. voluntary contributions):

- The *PWB 2010-11* figures reflect the estimates of extrabudgetary resources that were presented in the PWB 2010-11.
- *Available funding* reflects the extrabudgetary resources at the disposal of the Organization and estimated for expenditure during 2010-11, at the time of the preparation of this document (February 2011).
- *Implementation* refers to expenditure at the end of 2010, i.e. after one year, and is based on the unaudited accounts of the Organization; over 54 percent of the available extrabudgetary resources for the Strategic and Functional Objectives were spent in 2010.

¹ CL 140/21, para 24 refers.

Strategic and Functional Objective perspective

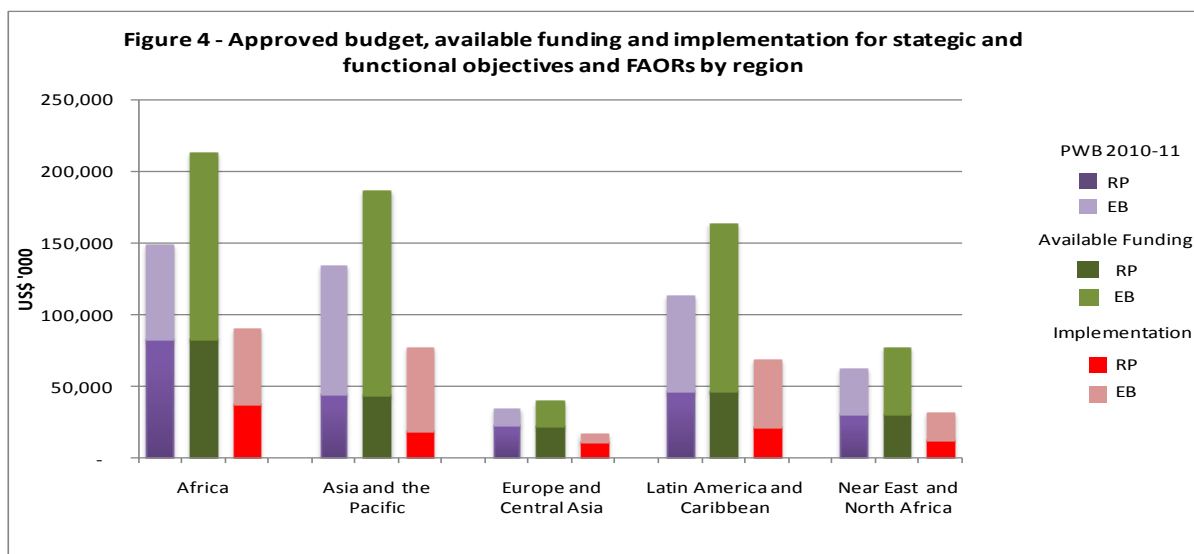
30. Small shifts of Regular Programme net appropriation resources are occurring among the Strategic and Functional Objectives as part of normal implementation, as explained in the Annual Report on Budgetary Performance and Budgetary Transfers in the 2010-11 Biennium (*Annex D*).

31. The application of voluntary contributions is aligned with the Strategic and Functional Objective results frameworks, with some variances among Organizational Results. For a number of Strategic and Functional Objectives, extrabudgetary resources available are significantly higher than the estimates in the PWB 2010-11. The positive variance is due to the accelerated resource mobilization in 2009 that could not be anticipated at the time the PWB 2010-11 was prepared almost a year in advance of the biennium.

32. For example, the current estimate of extrabudgetary resources for *SO I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies* is over 70 percent higher than estimated in the PWB 2010-11. This is due to the initial association of emergency response projects with SO I rather than with related technical Strategic Objectives, reflecting the need to focus on responding to crises in the field. Other Strategic Objectives with substantive increases in extrabudgetary resources are *SO F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture* and *SO H - Improved food security and better nutrition*, both with a 63 percent increase. Overall, available funding from extrabudgetary resources is USD 343 million (28 percent) higher than the amount estimated in the PWB 2010-11. For comparison purposes, there was a positive variance of 33 percent in the 2008-09 biennium.

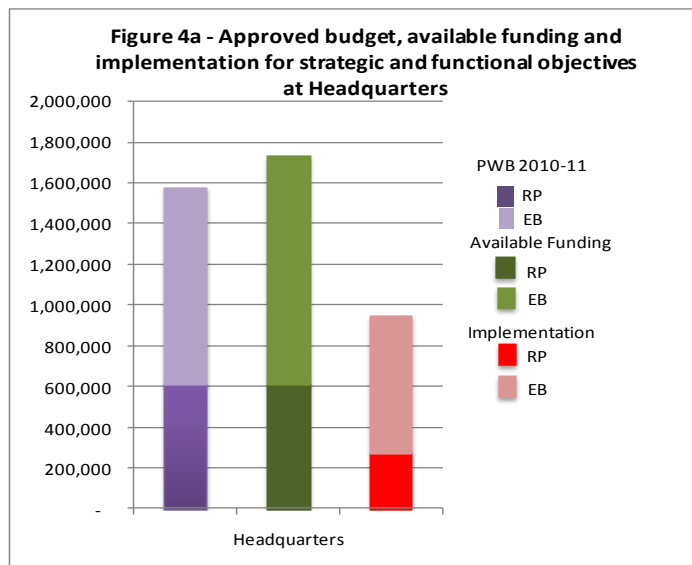
Regional perspective

33. The approved budget, available funding and implementation for Strategic and Functional Objectives and the FAOR Programme by region is shown in Figure 4. While all of the regions have more available funding from extrabudgetary resources than was estimated in the PWB 2010-11, this was particularly evident in Africa (approximately double), Latin America and the Caribbean (75 percent higher) and Asia and the Pacific (61 percent higher). Implementation of available extrabudgetary funding was about 41 percent in all the regions, except Europe and Central Asia, which was 37 percent. Implementation of the PWB 2010-11 Regular Programme net appropriation resources was generally at a slightly higher rate than for extrabudgetary resources, ranging from 40 percent in the Near East and North Africa to 48 percent in Europe and Central Asia.



34. In comparison to the regions, the available extrabudgetary resources at headquarters were more closely in line with those budgeted in the PWB 2010-11, as shown in Figure 4a. Headquarters

was also able to implement at a higher rate, with 45 percent of the Regular Programme net appropriation and 60 percent of the extrabudgetary available funding spent against the Strategic and Functional Objectives in 2010.



TCP, Capital Expenditure and Security Expenditure

35. A portion of the PWB resources is budgeted under the Technical Cooperation Programme (TCP), Capital Expenditure and Security Expenditure. As of 15 January 2011, the implementation rate of the TCP against the 2008-09 appropriation was 78 percent, and the implementation rate against the 2010-11 appropriation was 11 percent, as reported in a separate document.² The implementation rate of Regular Programme net appropriation for Capital Expenditures was 37 percent and for Security Expenditures was 43 percent during 2010.

III. Further efficiency gains and one-time savings

Background and approach

36. The 2010-11 approved budgetary appropriation of USD 1,000.5 million included a reduction of USD 12.4 million for unidentified further efficiency gains and USD 10.4 million for one-time savings. These were in addition to the USD 19.6 million in efficiencies already planned in the PWB 2010-11 and USD 5.31 million in savings to be achieved under the Immediate Plan of Action for FAO Renewal (IPA). The Conference requested the Director-General to report to the Finance Committee ongoing adjustments to the Programme of Work for unidentified further efficiency gains and one-time savings which were not reflected in the chapter structure at that time.

37. As part of the 2010-11 work planning process, departments and offices identified measures to achieve quantified targets for efficiency gains and one-time savings in line with the corporate approach³. The Finance Committee, in reviewing the measures taken in April 2010, invited the Secretariat to pursue efficiency savings mindful of preserving the quality and efficiency of services to Member Nations in line with the approved definition of efficiency savings, and requested regular reports of the management and results of the Innovation Fund⁴. A report was provided in October 2010 and this section provides an overview for 2010.

² JM 2011.1/5 Progress on implementation of the Technical Cooperation Programme (TCP)

³ Corporate approach to sustainable efficiency savings: a) achieving lower cost of inputs; b) streamlining administrative and operational support processes; c) selective delayering; d) progressively adjusting the human resources input mix; e) improving the funding base of the Programme of Work through further extrabudgetary resources.

⁴ CL 139/8 paragraphs 23-26

Efficiency gains

38. The USD 12.4 million in savings from further efficiency gains will be fully achieved during 2010-11 through measures put in place during 2010 in four of the five corporate categories of efficiencies.

39. *Achieving lower costs of inputs* (estimated efficiency gains of USD 5.0 million). The corporate initiative to reduce the remuneration rate of UN pensioners hired by FAO took effect on July 2010 and generated substantial savings. Lower travel costs were achieved through the use of a more cost-effective travel services contract, early travel arrangements and advance ticket booking, as well as use of low-cost flights and Internet ticket purchasing. Additional savings were achieved by promoting green initiatives such as rationalizing the use of printers. Savings on telecommunications costs resulted from investment in connectivity, aggressively seeking lowest-cost telecommunication providers, and increased use of tele- and video-conferencing. The significantly lower than budgeted increases of staff medical insurance plans are mainly attributable to the savings attained from various cost containment measures introduced by the Secretariat.

40. *Streamlining of administrative and operational support processes* (estimated efficiency gains of USD 2.9 million). Several initiatives were identified in this area, including: reducing the length of documents to lower publication and translation costs; reducing document storage; transmittal of documents in electronic formats; and maintenance of Web sites using content-management systems. Better targeting of document recipients allowed production of fewer copies. Redistribution of staff workload and training allowed a reduction in the hiring of consultants in some Divisions. For the decentralized offices, increased collaboration between FAO and other agencies led to economies of scale and synergies in areas of security and procurement.

41. *Progressively adjusting the human resources input mix* (estimated efficiency gains of USD 2.4 million) includes the downgrading of some posts, such as those vacated by retirees, to increase the proportion of non-staff resources used for delivery of the Programme of Work, while at the same time contributing to savings and encouraging the increased use of junior professionals. Due attention is given to carefully managing such adjustments in order to ensure career opportunities for staff and the best mix of staff and non-staff human resources to deliver services, and to ensure that critical institutional technical knowledge and capacity are maintained.

42. *Increasing the funding base of the Programme of Work through further extrabudgetary resources* (estimated efficiency gains of USD 2.1 million) includes: review and improvement of cost recovery policy, including monitoring and timely recovery of income earned; implementing a more efficient system for cost recovery of technical support services rendered to TCP and Trust Fund projects, and collaborative efforts with other agencies on mobilizing extrabudgetary resources.

One-time savings

43. The Conference clarified that the USD 10.4 million in one-time savings should comprise initiatives aimed at realizing one-time, fortuitous savings only in the 2010-11 biennium. On the one hand, post vacancies are being exceptionally managed through temporary hiring of short-term personnel generating one-time savings without compromising the required deliverables under the Programme of Work. Other one-time savings are being achieved through reduced travel, reduced scope or cancellation of programmed meetings and documentation, and deferral of other discretionary operational expenditure such as equipment purchases. Although efforts were made to ensure that the required deliverables under the Programme of Work were not compromised when attaining these savings, Divisions pointed out that these savings are not sustainable.

Innovation Fund

44. The Innovation Fund was established to encourage, support and reward creative measures that increase the efficiency and effectiveness of delivering FAO's programmes. The Innovation Fund is intended for use both as seed money, to invest where necessary to achieve the savings and increase

effectiveness, as well as providing incentives for units that present convincing and innovative proposals. The Fund is budgeted at USD 1.4 million in 2010-11.⁵

45. The Deputy Director-General for Operations (DDO), who administers the fund, solicited proposals from all units, with special encouragement for those with responsibility for administrative and operational work streams and those supporting strategies for the eight Core Functions, as well as from decentralized offices. A total of 41 proposals were received and considered by a Peer Review Panel of officers from across the Organization. The panel members scored the proposals against four evaluation criteria:

- a) the proposed measure incorporates an innovative approach that has corporate implications beyond normal due diligence;
- b) the expected savings are of a recurring nature;
- c) the proposed measure offers opportunities for adaptation by others or similar “scaling up”; and
- d) the proposed measure contributes to the efficiency and effectiveness of the results-based work plans of the units involved.

46. Based on the recommendations of the Panel, in July 2010 the DDO allocated USD 1.3 million to nineteen proposals⁶. The allocations ranged from USD 8,500 to USD 100,000, with an average of USD 65,000. The peer review panel will convene as an advisory group twice a year to review progress in the implementation of each project, and to follow-up on actions that demonstrate potential for scaling up, and will report its findings and recommendations to the DDO.

47. The following illustrates the status of some of these proposals and their potential for scaling up.

48. *Automating the development of e-learning for FAO member countries.* A prototype version of the planned software to automate the production of e-learning materials has been developed. The full production version of the software will be ready in September 2011, permitting the up-scaling of the product in order to reach similar efficiencies for all e-learning courses being produced by the Office of Knowledge Exchange, Research and Extension in collaboration with FAO’s technical divisions.

49. *Reducing software costs and increasing inter-operability using open source statistical software.* A training module on the use of free open source statistical software for statistical analysis has been developed. A remote survey has identified concrete opportunities for both efficiency and cost savings which could materialize through a scaling up of the project.

50. *Divisional open office / buffer (cushion) space.* Design layout of four open offices has been completed and will be implemented by October 2011, which will result in cost savings from better use of space.

51. *Environmentally-friendly office system.* A number of eco-efficiency measures for decentralized offices have been identified and implemented at the FAO Representation in Peru related to waste management, recycling and reduction of waste; establishment of a composting station; and installation of energy efficient air conditioning equipment. The FAO Representation in Peru is documenting the process to replicate in other decentralized offices.

52. *Development of collaborative environment of official document production.* The use of Internet tools for collaborative document production will not only lead to an improvement in the quality of documents, but will also reduce the time required for their review and clearance.

53. *Promote and improve the online fund-raising mechanism.* The new online fund-raising system to be tested during the first quarter of 2011 will allow FAO to reach out on its six languages with advocacy and awareness raising messages imbedded in the system.

⁵ C 2009/15 paragraph 190

⁶ FC 135/6 Annex III

54. *Development of an Internet-based series of FAO Rural Invest e-learning self teaching modules.* Curriculum outline showing the objective learning elements and content type of each of the 11 self teaching modules was developed with half of them available by March 2011. Efficiency gains are expected to be achieved by reducing FAO staff time to conduct training in Rural Invest.

55. *Virtual workspace to improve communications on food safety issues among headquarters.* The workspace is expected to provide support for the effective implementation of an FAO-wide food safety technical network, while minimizing associated budget, time and human resources impact.

56. *Capacity building for change agents in regional and country teams for Strategic Objective I.* Training material has been developed for a change agent capacity building workshop to be held in May 2011 which will then be scaled up by participants in their respective regions/countries.

IV. Summary Implementation Review

Introduction

57. The Summary Implementation Review provides for each Strategic and Functional Objective an overview of progress during 2010. It includes a graphic presentation at Objective level and an overall rating and brief narrative for each Organizational Result highlighting the main achievements and any significant areas of risk where mitigating action has or will be taken.

58. The colour-coded ratings in the Objective-level graphic presentation depict the number of unit result contributions to each Organizational Result rated by managers as “on track” (green), “requiring attention” (yellow) or “in jeopardy” (red), giving a view of the distribution of ratings within each Organizational Result. It is important to note that, for the purposes of these graphics, the contributions were considered of equal weight, although each contribution varies in terms of resources allocated under both assessed and voluntary sources of funds.

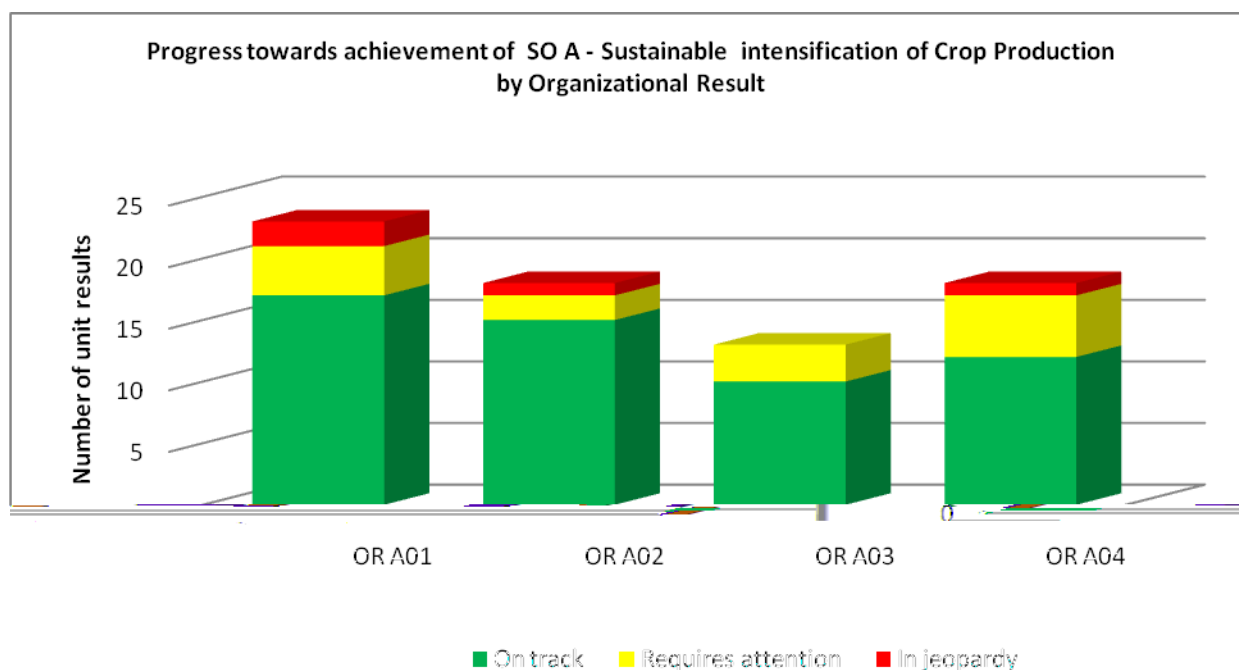
59. The overall colour-coded rating provided with the narrative for each Organizational Result represents the Strategy Team Leader’s overall assessment of progress towards the achievement of the Organizational Result. Of the 56 organizational results, 50 were rated by the Team Leader as on target (green), while six were deemed to require attention (yellow).

A - Sustainable intensification of crop production

Overview

60. At the end of the first year, progress towards the achievement of the four organizational results is on track.

61. Key success factors include: close collaboration with a broad range of partners at national, regional and global levels, FAO’s decentralized offices as well as Strategic Objective I. Limited financial resources, a lack of technical expertise and vacant positions in some decentralized offices, while impeding some of their contributions, are not expected to significantly affect overall progress towards the achievement of the organizational results. Management is taking action to ensure positions in the decentralized offices will be filled.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

A01 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels

On Track

62. Significant progress has been achieved in the area of sustainable crop production intensification (SCPI) including: COAG's support for a strategy on an ecosystem approach to SCPI; the production of a policy makers' guide to SCPI; and the release of three technical guidelines and specifications on best practices for SCPI, diversification and value chains. Technical support missions related to SCPI including Conservation Agriculture and sustainable management of grasslands were completed in 21 countries in Africa, Asia, Central and Eastern Europe, Near East and Central America. As part of the Growing Greener Cities Initiative to optimize policies, institutional frameworks and support services for Urban and Peri-Urban Horticulture (UPH), a subregional workshop for policy makers was convened for eight countries in west and central Africa. In addition an international symposium convened in collaboration with the Government of Senegal and other partners will be the basis for the first report on the state of UPH in Africa. Technologies and practices for adaptation to and mitigation of climate change and resilient rice production practices have been identified. Twenty countries are now providing crop production data as a result of capacity building workshops in the Africa, Asia, Latin America and Near East regions.

63. Key success factors include: effective collaboration with a range of partners at the national, regional and international levels, and FAO's decentralized offices; and revamping regional working groups and networks (e.g. RADHORT, Grassland Carbon Network and the Regional Working Group on Conservation Agriculture etc.).

A02 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels

On Track

64. Emergency response activities were carried out for locust outbreaks in Georgia and Madagascar. The locust information network was expanded to include ten countries in the Caucasus and Central Asia (CCA). National contingency plans were developed in nine locust affected countries while a further eight countries applied preventive locust control measures. A Web-based Locust Emergency Response Tool-kit was launched which will empower countries to react more efficiently and effectively in emergencies. Work

on non-locust transboundary plant pests included the provision of guidance on the area-wide integrated application of the sterile insect technique through 2 international symposia and 15 national and 5 regional projects in Africa, Asia, Europe, Latin America and Near East. A regional project to strengthen national Emergency Plant Pest management capacities in the ECOWAS Region was initiated.

65. Turning to transboundary plant diseases, 20 countries in CCA, North Africa, Near East and South Asia assessed their preparedness to the Wheat Rust threat. A Wheat Rust Web portal was launched as a means to keep countries informed of developments for its mitigation and control. A regional program on cassava and banana diseases was initiated in eastern, central and southern Africa.

66. The fifth session of the International Plant Protection Convention (IPPC) governing body was convened. The Secretariat contributed to the development or implementation of 48 projects related to phytosanitary capacity building. Participation in the standard-setting process was promoted through seven regional workshops and a redesign of the International Phytosanitary Portal.

67. Key success factors included: effective collaboration with FAO's decentralized offices, national plant protection authorities, regional-PPO's, locust commissions and organizations and the Borlaug Global Wheat Rust Initiative. The Inter-African Phytosanitary Council advocated ratification of the IPPC. Delays in project initiation have limited progress on some contributions to the organizational result.

A03 - Risks from pesticides are sustainably reduced at national, regional and global levels

On Track

68. A total of nine technical guidelines were published in support of the Code of Conduct on the Distribution and Use of Pesticides. The WHO/FAO Joint Meeting on Pesticide Residues proposed 390 new residue standards (MRLs). The first training workshop on the establishment of MRLs and the risk assessment of pesticide residues was convened for representatives from 13 developing countries. Two pesticides, endosulfan and azinphos-methyl, were recommended for inclusion in the Prior Informed Consent (PIC) procedure under the Rotterdam Convention (RC). National plans for the implementation of the RC were developed in 17 countries in Africa, Asia, the Near East, Latin America and Central Asia while pilot projects on monitoring and reporting pesticide poisoning were initiated in seven countries in Africa and the Near East. New field projects for pesticide risk reduction were initiated in nine countries in Africa, Asia, the Near East, Latin America and Central Asia while the reform of pesticide legislation was completed in Lao and initiated in four others. Clean-up operations concerning obsolete pesticides are ongoing in nine countries in Africa, the Near East and South America. Regional Integrated Pest Management programs promoting Farmer Field Schools were expanded in western and northern Africa and the Greater Mekong Sub-region. Representatives from nine countries in Latin America attended a training course linking soil and pesticide behaviour.

69. Key success factors included: close cooperation with WHO and UNEP, the decentralised offices of FAO, as well as regional organisations such as the Southern African Development Community.

A04 - Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels

On Track

70. The Second Report on the State of the World's Plant Genetic Resources for Food and Agriculture (PGRFA) was launched. An Intergovernmental Conference on Agriculture Biotechnology for Developing Countries was convened: one outcome is the preparation of a guide to assist countries in the development of associated policies and technologies. USD 10 million were raised for the Benefit Sharing Fund of the International Treaty on PGRFA for the conservation and adaptation of plant genetic resources to climate change. Seven regional consultations were convened to update the Global Plan Action (GPA) on PGRFA. Progress was made in preparing for meetings of the governing body of the IT-PGRFA and the Working Group on PGRFA.

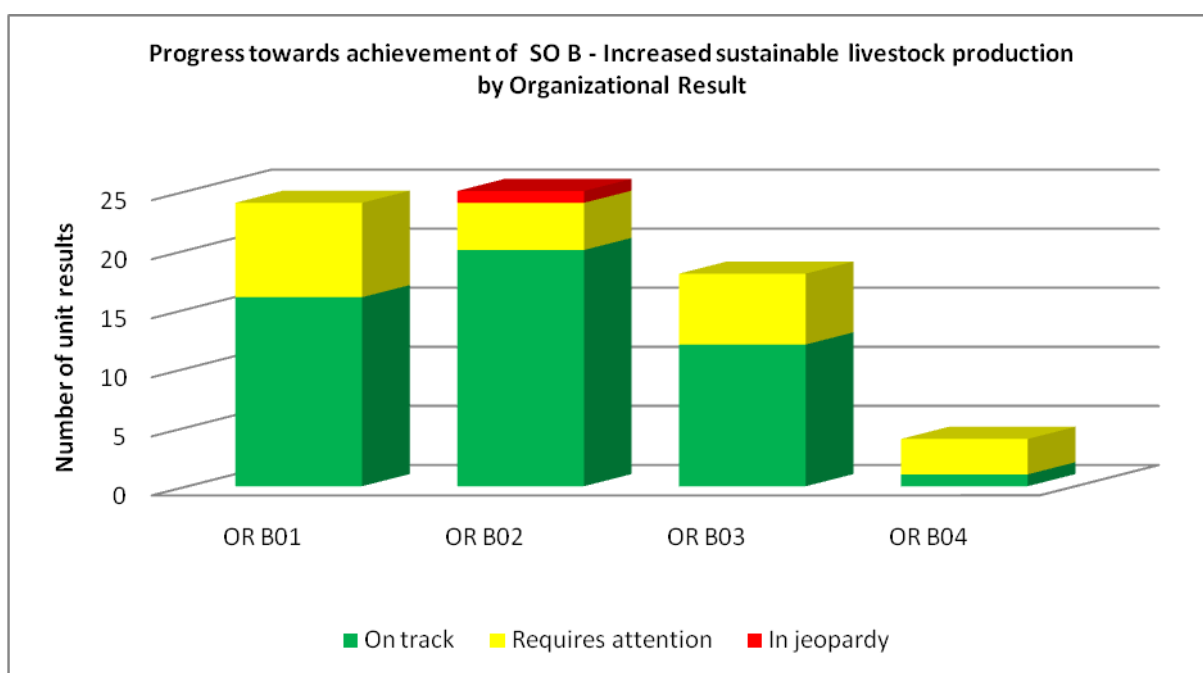
71. Seed laws and regulations were harmonized among six countries in Central Africa (CEMAC), emergency assistance in seeds was provided to Pakistan and seed security assessments were conducted in Haiti and South Sudan. Progress was made on projects for the establishment of national seed information systems, integrated approaches to rice seed production and developing small-holder seed systems in Asia, Africa, Europe, and Latin America. Work was initiated on a comprehensive 'toolbox' for a systems approach linking plant conservation, crop improvement and delivery of quality seeds to farmers. Release of an early maturing rice mutant variety (BINA Dhan-7) in Bangladesh directly contributed to reducing food insecurity.

72. Key success factors include: strong collaboration with Strategic Objective I on emergency seeds, with national, regional and international partners and the decentralized offices of FAO.

B - Increased sustainable livestock production

Overview

73. At the end of the first year, progress towards the achievement of two organizational results is as on track while two organizational results require attention. Some areas of work under the organizational results have been identified as requiring attention or in jeopardy due to the impact of unfilled posts, especially in decentralized offices, as well as from the postponement, late commencement or delayed completion of planned activities.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

B01 - The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development

Requires Attention

74. The Gateway to Animal Welfare, a multi-agency partnership, provided comprehensive technical and policy information. Poultry country reports (27), Web-based issues papers (46), and national dairy reports (4) were issued. Under preparation are major publications on abattoir design, milk and human nutrition, guidelines for livestock sector reviews, and the revision of AFRIS (Animal Feed Resources Information System).

75. While the majority of the contributions to the OR were rated “on track” in terms of achievement the overall ranking for the OR is set at yellow. Contributions to the OR rated 'yellow' will

be closely supervised by the respective lead units as there are cases of low programme delivery, especially in regions, resulting primarily from unfilled or transferred posts. The availability of livestock expertise in the decentralized offices should be less of a constraint in 2011 given that the staffing situation has improved.

76. This is a complex OR with a diverse range of contributions from various units. In view of this, management has identified a need to strengthen the programmatic linkages between the various contributions, in order to achieve greater consolidation, integration and focus. This lesson will be applied in the formulation of the PWB 2012-13.

B02 - Reduced animal disease and associated human health risks

On Track

77. Emphasis continues to be placed on the prevention and control of TADs (Transboundary Animal Diseases), with increased attention given to vector-borne and parasitic diseases, veterinary public health-related priority zoonoses as well as the analysis of the factors that trigger disease emergence (primarily environmental and production systems changes). Delivery of contributions linked to EMPRES-Animal Health, GLEWS, ECTAD, and CMC-Animal Health is on track, with resources often shared among units, particularly with respect to EB funds generated through the ongoing Global Programme on Highly Pathogenic Avian Influenza (HPAI).

78. Field operations in support of the Global Rinderpest Eradication Programme (GREP) have been concluded as planned with assistance provided to all remaining countries for preparing and submitting to the World Organization for Animal Health (OIE) their dossiers to obtain rinderpest free status (achieved in January 2011). The progressive control framework (by region) initially developed for foot and mouth disease (FMD) is being broadened to address other diseases such as PPR and brucellosis. As recommended by the second Real-Time-Evaluation of the HPAI Programme, arrangements have been made for follow-up action, making best use of the lessons learned, to extend activities to other emerging and endemic high impact animal and zoonotic diseases. Within this context, particular emphasis has been given to further develop and integrate the successful operational, laboratory and epidemiology networks in national, regional and continental institutions to promote sustainability of such action.

79. Substantial progress was made in better coordinating programme delivery between headquarters and subregions and in outreach to stakeholders (African Union – InterAfrican Bureau on Animal Resources, WHO, UNICEF, OIE). Africa has delayed implementation due to staffing constraints. The situation has been resolved, and it is anticipated that planned contributions will be achieved in 2011.

B03 - Better management of natural resources, including animal genetic resources, in livestock production

On Track

80. Overall, the animal genetic and livestock-environment components of B03 are on track. The implementation of the Global Plan of Action for Animal Genetic Resources (GPA) is advancing according to schedule with all major milestones having been achieved. Several national strategies and action plans were developed, with support provided by both headquarters and decentralized offices. The assessment of livestock-environment interactions and related policies, though well underway, has been somewhat affected by delays in collaboration agreements with stakeholders and data constraints, particularly related to the Life Cycle Assessment of Green- House Gas emissions across livestock products and production systems.

81. A wide range of public and private stakeholders have been engaged in environmental assessment and related benchmarking. Added support has been generated by using decentralized offices in capacity building, facilitating debate and uptake of improved technologies and policies.

B04 - Policy and practice for guiding the livestock sector are based on timely and reliable information

Requires Attention

82. Three livestock-related databases and mapping systems were updated and global livestock production systems maps and global maps of demand growth for animal source foods through 2030 were produced. Livestock information compilation components are on-track. The planned integration of Animal Genetic Resources information with the Global Livestock Production and Health Atlas is still to be undertaken. The production of the World Livestock report (Livestock and food security) was slightly delayed; it will now be published in spring 2011. A more proactive role of the AGA Divisional Publication Committee is envisaged to ensure high quality of information products and consistency in the messages produced under the Strategic Objective.

83. COAG22 endorsed a global public goods perspective in the further development of SO-B. Following this advice, the first private sector consultations were held, resulting in an agreed process to address priority items for the preparation of the information requested for submission to COAG23. Further consultations are scheduled for 2011 in close collaboration and coordination across the ORs of SO-B, and with other SOs (A, D, F, K).

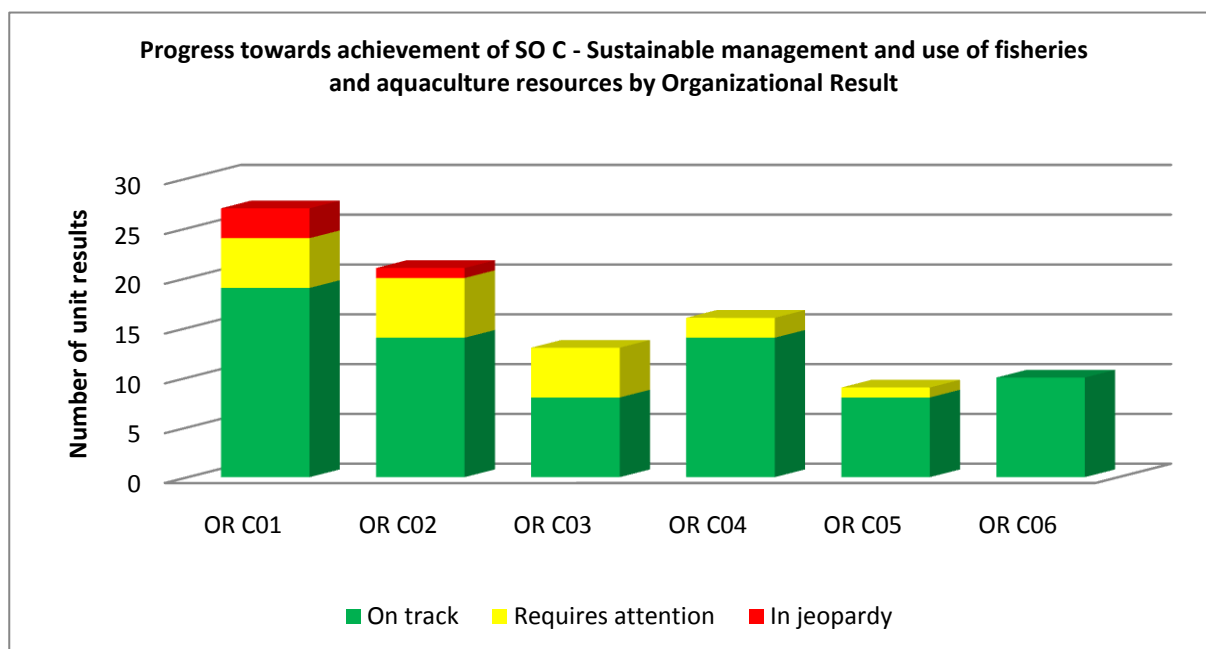
84. A major consultation on livestock sector development suggested to be held in 2010 did not take place and is rescheduled for 2011; alternatives are currently under investigation. The delays referred to resulted in the relatively low delivery reflected.

C - Sustainable management and use of fisheries and aquaculture resources

Overview

85. At the end of the first year progress towards the achievement of the six organizational results is on track.

86. Key success factors include: a more systematic and organized focus on the issues and areas to be addressed and close collaboration with a broad range of partners at national, regional and global levels. Impediments to implementation include financial and human resource limitations, constraints related to the capacity of member countries to effectively participate in the work and meetings of the Regional Fisheries Bodies, and ability to mobilize voluntary contributions in some areas. These issues are not expected to significantly affect overall progress towards the achievement of the organizational results.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

C01 - Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues

On Track

87. The biennial State of World Fisheries and Aquaculture (SOFIA 2010) and the 2008 Fishery and Aquaculture Statistics Yearbook, along with some 90 publications, were produced in addition to audiovisual material and improvements to the Fisheries and Aquaculture Department (FI) Internet Website. Progress has been made towards a more efficient monitoring of the implementation of the Code of Conduct for Responsible Fisheries and the development of new international instruments on small-scale fisheries and on flag State performance. Work of the Global Partnership Climate, Fisheries and Aquaculture (PaCFA) has placed the status of fisheries and aquaculture in relation to climate change on the global agenda. Assistance has been provided for the development of policies, laws and regulations at the national level for ensuring responsible fisheries and a strengthened fisheries and aquaculture sector. Tools have been developed to enhance the collection of statistics with progress made in rehabilitation of fleets statistics. A FI communications strategy has been developed and adopted by the Department and a number of socioeconomic analyses related to the fisheries and aquaculture sector were conducted at the national, regional and global levels.

C02 - Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs

On Track

88. The 29th Session of the Committee on Fisheries (COFI) was successfully organized and support was provided to meetings of other FAO statutory bodies and organizations such as the Conference for African Ministers, Fisheries and Aquaculture (CAMFA). There has been a high level of cooperation between FAO, other intergovernmental organizations and international stakeholders. Actions undertaken by the Organization have contributed to the strengthening of regional fishery bodies (RFBs) including: the modification of the statutes of the Commission for Inland Fisheries of Latin America (COPEscal) and the European Inland Fisheries and Aquaculture Advisory Commission (EIFAAC); an analysis of options for strengthening the Regional Commission for Fisheries (RECOFI); and the organization of performance reviews of the Fishery Committee for the Eastern Central Atlantic (CECAF) and the Southwest Indian Ocean Fisheries Commission (SWIOFC). Work was done to ensure that the Central Asian and Caucasian Regional Fisheries and Aquaculture Commission (CACFAC) be fully operational as soon as the constitutive agreement would enter into force. Significant progress was made towards the establishment of a new body or arrangement for the Red Sea and Gulf of Aden. FAO also provided support to three RECOFI members to facilitate enhanced cooperation. Policy guidance and assistance also was provided to strengthen the institutional framework of FAO Members at the national level.

89. Constraints faced were linked to the availability of financial and human resources (e.g. in Latin America and the Caribbean, staff support provided to the Western Central Atlantic Fishery Commission [WECAFC] and COPEscal was limited as a result of vacancies). Other constraints rose from the difficulties faced by Members in mobilizing the resources needed to participate effectively in the meetings and work of the RFBs, particularly in the case of CECAF and the Committee for Inland Fisheries and Aquaculture of Africa (CIFAA).

C03 - More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use

On Track

90. A key area of work is related to improving the information on the status of fishery resources at the national, regional and global levels. Towards this end, a range of interrelated activities were undertaken, including: training member

countries in stock assessment, helping identify suitable methods for resource assessments and carrying out the assessments, as well as resources status reviews at different levels.

91. The ecosystem approach to fisheries is a second major area of work undertaken in 2010. Important progress was made as a result of advocacy and training carried out at sub national, national and regional levels in various regions. Some unplanned work was also undertaken, including in relation to developing a programme for GEF funding covering fisheries sustainability in waters beyond national jurisdiction.

C04 - Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture

On Track

92. Some 30 publications related to aquaculture have been produced and over 20 meetings organized, including two major global events, the Global Conference on Aquaculture 2010 and the 5th Session of the COFI Sub-Committee on Aquaculture. An FAO Technical Guidelines for Aquaculture Certification was developed and endorsed by the 5th Session of the COFI Sub-Committee on Aquaculture. Support was provided to the Coordinating Working Party on Fishery Statistics (CWP) to establish an Aquaculture Group (CWP-AS). A global databank of 150 aquaculture related better management practices (BMPs), codes of practice, and technical guidelines was established. Support was also provided to regional networks in Central-Eastern Europe, the Latin America and Africa, and to the Special Programme for Aquaculture Development in Africa (SPADA). Technical assistance to Members was provided through 70 field projects including TCPs /UTFs.

93. The main constraint has been the shortage of voluntary funding to adequately implement the recommendations of COFI and its Sub-Committee on Aquaculture and to undertake sufficient activities in support of SPADA. However, with the recent approval of two regional fisheries projects funded by the Swedish International Development Cooperation Agency (Sida) and the European Union, this constraint is more likely to lessen in 2011.

C05 - Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels

On Track

94. A broad range of normative and operational work was completed in 2010 the most high profile of which was focused in two areas which will contribute to: achieving sustainable fisheries by providing guidelines for managing bycatch and reducing discards; and combating illegal fishing with the development of an important new tool to create a new global database of fishing vessel identification information. In addition, significant normative work on developing safety standards for small scale fishing vessels was achieved in partnership with the IMO and ILO. Technical guidance in the form of a publication was delivered with the technical paper "Fishing harbour planning, construction, and management" which will help countries bring their harbours up to international standards for health and safety. Finally in addition to contributing to a large number of projects in response to field emergencies, work was carried out on improving disaster preparedness.

C06 - Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements

On Track

95. Significant work has been successfully undertaken to the satisfaction of Members and donors in many countries in Africa, Latin America and Asia - Pacific. In particular, training and capacity building activities to assist Members and industry to implement best practices in fisheries and aquaculture utilization, marketing and trade were successfully implemented. The 12th Session of the COFI Sub Committee on fish trade and the regional meetings of fish technologists and inspectors were successfully held in Africa and Latin America respectively. Normative work to assist with guidelines for certification in aquaculture and assessment methodology of eco-labeling certification schemes was satisfactorily advanced.

Information and studies on market information, including fish prices and trends have been prepared and disseminated in a timely manner.

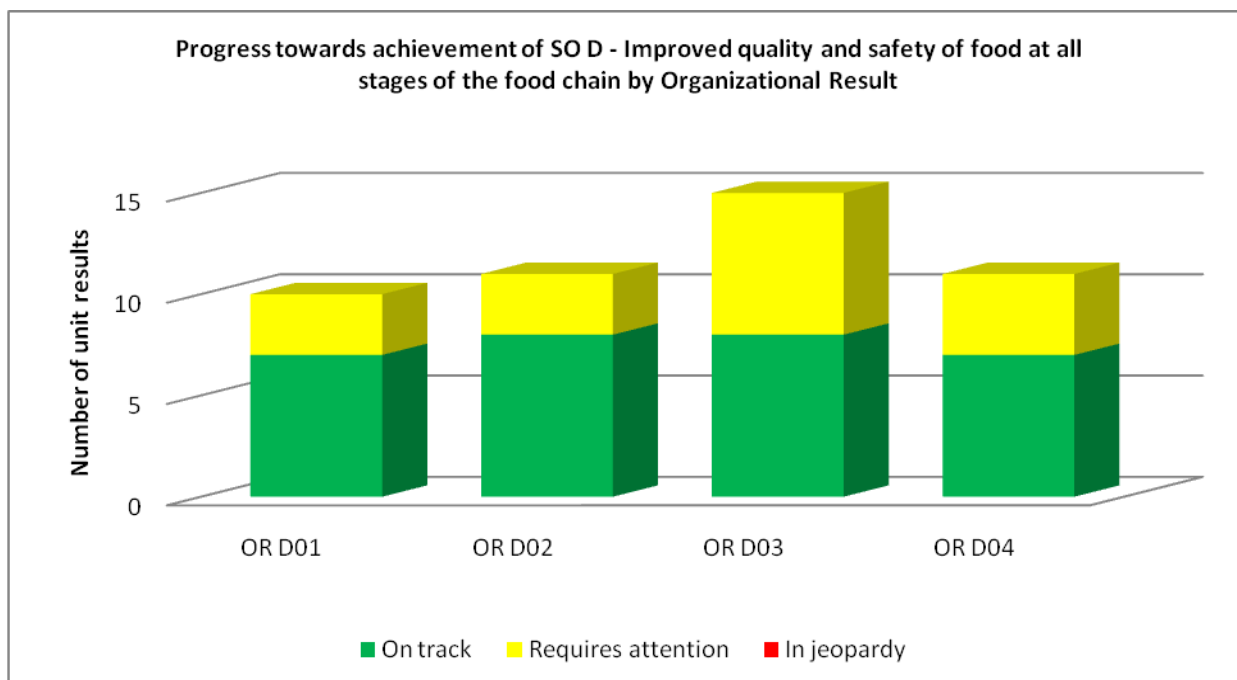
96. FAO has been able to leverage its available resources through active partnerships with the Fish Infonet, other UN organizations such as WHO, WTO and UNIDO, industry associations such as the International Coalition of Fisheries Associations (ICFA) and institutions such as CIHEAM Zaragoza. To properly assist in backstopping projects which include fish utilization, safety, marketing and trade components, more effective mechanisms to foster collaboration and synergies between headquarters and decentralized offices are needed.

D - Improved quality and safety of food at all stages of the food chain

Overview

97. At the end of the first year, progress towards the achievement of three of the organizational results is on track with one organizational result requiring attention.

98. The implementation of Codex Alimentarius Commission (CAC) standard setting programme is on target. This work – representing the bulk of work within D01 - is supported directly by the Codex Secretariat and the programme of work on the provision of scientific advice on food safety and nutrition. The unit results that require attention in OR D01 relate to planned Codex-related capacity development activities in RAF and RLC. Decentralized offices’ limited expertise and capacity in food safety/quality, necessitates their reliance on headquarters to respond to country requests for assistance. This constraint is most acutely felt in the Africa Region. Action has been taken to mitigate these concerns, including filling staff vacancies, the recruitment of consultants and further strengthening collaboration with external partners. Greater emphasis is being placed on inter-unit collaboration during the work planning phase for PWB 2012-2013 to achieve more efficient work-sharing in implementing the programme.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

D01 - New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization

On Track

99. The standard setting programme of the Codex Alimentarius Commission was implemented as scheduled. Progress in the provision of scientific advice on food safety and nutrition includes: the 72nd and 73rd meetings of the Joint Expert Committee on Food Additives (JECFA), the electronic meeting on ractopamine residues and two Joint Expert Meetings on Microbiological Risk Assessment (JEMRA) on the development of the risk assessment tools and *Vibrio* spp. in seafood were successfully implemented. An expert consultation on the benefits and risks of fish consumption was implemented jointly with SO C. The work of the Codex Secretariat and the supporting programme of food safety scientific advice enabled the advancement of several standards, guidelines and related texts. Activities at national and subregional levels to develop capacity for effective participation in Codex were undertaken. In relation to scientific advice on nutrition issues, the progress is as expected, with the publication of the Food Composition Study Guide and the Journal of Food Composition and Analysis. The expert consultation on protein quality is in the planning phase for 2011.

100. The capacity of the subregional offices for Central America and for the Caribbean to cover food safety and nutrition work is being addressed through improved communication between headquarters and decentralized offices, and use of non-staff resources.


D02 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach

On Track

101. Implementation of technical meetings and development of guidance on various aspects of "sustainable diets", including work on biodiversity and nutritional indicators, is on target. Regional Guidelines for Asia-Pacific were developed for the acceptance of irradiation facilities, and at global level, three additional quarantine pest irradiation treatments were adopted. An analysis of private food safety standards was completed which provides a basis for moving forward on this issue. Work on implications of nanotechnology applications for food safety regulatory frameworks is behind schedule but will be completed within the biennium.

102. The most significant delays are with planned headquarters-led work on the development of benchmarks to guide countries in planning for investment in improved food control systems. Additional resources have been allocated to bring this work to a satisfactory close during 2011. The scope of a planned legislative study on food safety is being reconsidered. Delays in the normative work are largely due to the considerable headquarters staff time being required to support country requests for technical assistance, particularly in Africa. Technical assistance programmes are largely being delivered as planned by the regional and subregional offices. Direct headquarters support to countries through on-going projects is on track, including eight country projects (of which six are in Africa) with components on policy and legislative frameworks for food control and a four country project on food bio-diversity. Member countries have also been participating in two research projects on irradiation post-harvest treatments.

D03 - National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms

Requires Attention

103. Considerable training on the application of the risk analysis framework was carried out in all regions to enable national authorities to design risk-based food control programmes. A planned regional risk analysis workshop for ASEAN countries was delayed but will take place in 2011. Development of new training materials to support this work was delayed but corrective action has been taken to bring the work back on schedule. Direct technical assistance to strengthen inspection and certification services including fish inspection is largely on target in all regions. Preparation of an updated manual on food import inspection is behind schedule but should be completed in 2011. National and regional training programmes and other support aimed at development of laboratory services for food control (including traceability) and food composition analysis is on track in all regions. Validated analytical methods and procedures were developed and transferred to countries through four projects. The work of Codex is proceeding well in all regions. A review of past FAO assistance to enhancing Codex participation was completed and FAO continues to devote significant time to the functioning of the CTF Secretariat. The new EMPRES-Food safety programme is positioned to deliver expected results despite setbacks with

staff recruitment. Guidance on national food safety emergency response was finalized and has proven highly useful in guiding related field work. Extra-budgetary resources have been received for EMPRES food safety but resource mobilization efforts are continuing. Planned work on consumer awareness of food safety in SFS is behind schedule: urgent action to recruit a food safety specialist will address this. Consumer awareness programmes are on target in RAF and RLC.

D04 - Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements

On Track

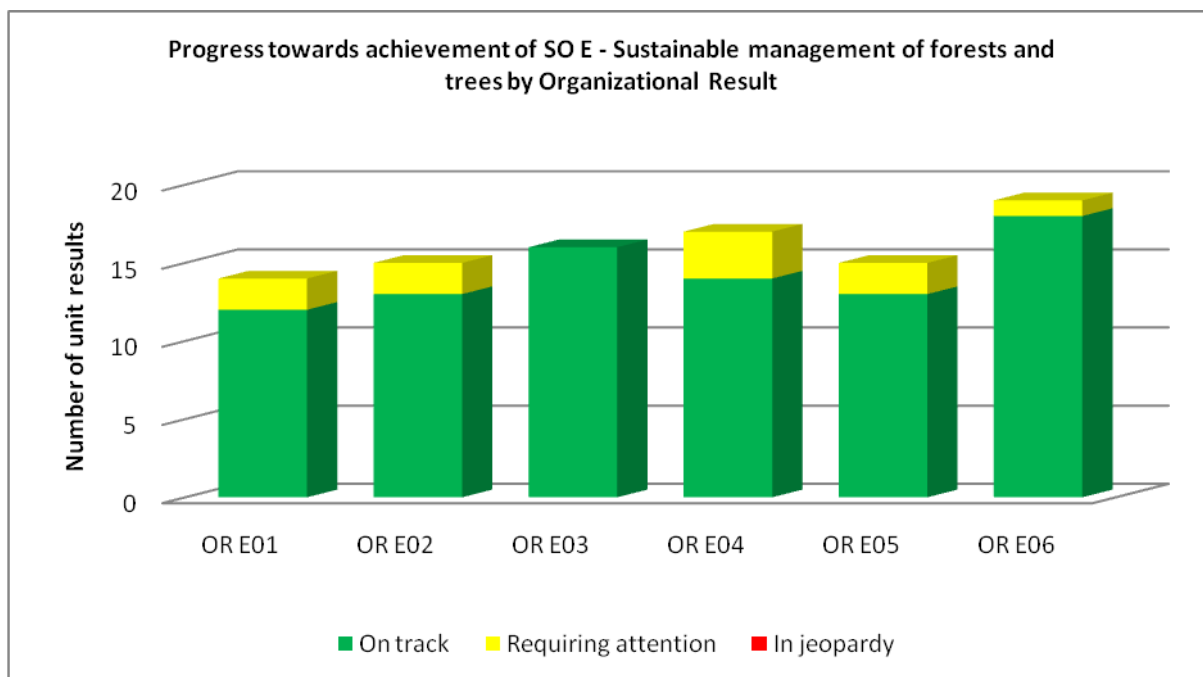
104. A guide on traders' grain management practices in Africa and the Farmer Field School training module were disseminated through ongoing programmes in Asia, the Middle East and West Africa. Ten countries from Asia and the Pacific, five from Europe and Central Asia, and six in Africa have received training and other technical assistance to improve operations within a wide range of value chains with emphasis on improving food safety/quality management practices. Technical guides and training materials on Good Practice in the fresh-cut fruit and vegetable sectors were developed. Training was completed as planned on hygienic practices in the street food sector in RLC. Direct technical assistance to countries on voluntary quality standard schemes is on track with a number of tools under development to guide national authorities and value chain operators on the development of such schemes. A Website on specific quality schemes was established for Europe and Central Asia; the appraisal of logistics arrangements and infrastructure systems was undertaken, as well as the identification of risk factors in animal product chains in Kenya and surveys of the institutional arrangements for food safety and inspection systems in Southern Africa. Progress in the preparation of resource materials for food hygiene trainers was delayed. As other agencies are developing similar resource materials, it will be necessary to reconsider the topics to be addressed by FAO support.

E - Sustainable management of forests and trees

Overview

105. At the end of the first year progress towards the achievement of five organizational results is as on track, with one organizational result requiring attention.

106. International attention on climate change has highlighted the significant potential for forest management in national climate change strategies for mitigation and adaptation. Positioning among groups and organizations at the international level necessitates a broader and more intensive coordination and dialogue. Concern among forest user groups at the local level about the outcome of large flows of funding requires a concentrated effort to establish a series of internationally agreed safeguards on the use of funds. Few developing countries have in place the needed technical skills, tenure arrangements or institutional structures. This creates an enormous demand for assistance and support that exceeds FAO's current institutional capacities in the decentralized offices and headquarters.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

E01 - Policy and practice affecting forests and forestry are based on timely and reliable information

On Track

107. The Global Forest Resource Assessment (FRA) 2010 was launched and widely distributed in all FAO languages in electronic and printed format. The report received contributions from 900 contributors including 178 national correspondents.

An analysis of the state of the forest resources per region, and global trends in the development of sustainable forest industries were completed, the role of forests in climate change and mitigation as well as the local cash and non-cash values of forests were determined. The “State of the World Forest” (SOFO) was prepared and issued. The report was launched during the Ninth session of the United Nations Forum on Forests in the beginning of 2011. Important statistical publications on the forest products sector were published including: Recovered Paper Data 2009; Pulp and Paper Capacities 2009-2014 (Survey); FAO Forest Products Yearbook and The Forest Products Annual Market Review.

108. Under the National Forest Monitoring and Assessment (NFMA), technical support in multi-purpose national forest monitoring and assessment continued in Angola, Brazil, Congo, Comoros, Gambia, Kyrgyzstan, Uruguay, Tanzania and was initiated in Peru, Ecuador, Vietnam, Zambia. New field and database methodologies and designs to meet new IPCC and country needs were reviewed and field tested, and new and revised manuals were prepared and uploaded to the Web. New strategic partnerships were cemented with key international partners. International and national workshops in NFMA were conducted in eight countries. An external NFMA evaluation was undertaken.

E02 - Policy and practice affecting forests and forestry are reinforced by international cooperation and debate

Requires Attention

109. Milestones and targets were met for the biennium for COFO and the Regional Forestry Commissions. Secretariat support was provided for successful sessions of the FAO Committee on Forestry, the African Forestry and Wildlife Commission, the Asia Pacific Forestry Commission, the European Forestry Commission, the Near East Forestry Commission and the North American Forestry Commission.

110. Accelerated scheduling of the COFO in 2012 will require a number of unbudgeted RFC sessions to be held in 2011 that are drawing funding from other programmed activities necessary for the achievement of the OR. Without additional funding, FAO will not be able to meet international

and country expectations to support global and local initiatives in 2011 related to the International Year of Forests, as well as the Collaborative Partnership on Forests (CPF). Management is exploring options to identify funding for these important activities.

E03 - Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses

On Track

111. The support to national forest programmes of member countries, including through the National Forest Programme Facility, have contributed to strengthening capacities in the development and implementation of forest policy and legislation.

The capacity of stakeholders to effectively participate in NFPs has been enhanced in at least 11 countries in Africa, Latin America and Asia. Several countries have developed or updated their forest policies. Ten countries also have developed national strategies for financing sustainable forest management. Countries in Central Asia have initiated work to adapt their forestry institutions to new challenges. The forestry outlook study for the Asia-Pacific region has been published and widely disseminated. At least six countries are engaged in the development or implementation of forestry projects of the Global Environment Facility (GEF) implemented through FAO. Six ECOWAS countries are applying OIMES (Outcome and Impact Monitoring and Evaluation System) tools to ensure effective implementation of their national forest programmes. Support was successfully provided for the formulation of the Honduran Strategy against illegal logging

E04 - Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation

On Track

112. Fire management projects were initiated in Lebanon, Nicaragua, Macedonia, Syria, Morocco, and Tanzania and a community based fire management publication was completed. Planted forest projects were initiated in Armenia, Burundi, Haiti, Lebanon, and Uganda. Guidelines were prepared on Afforestation/Reforestation in Arid Countries.

Leadership was provided in international partnerships including the Advisory Board of International Model Forests Network, the Global Partnership for Landscape Restoration and the Collaborative Partnership on Forests Working Group on Sustainable Forest Management. A publication on exemplary forestry management in Latin America was released. Forest health projects were initiated in Democratic People's Republic of Korea, Morocco, Zimbabwe, Trinidad and Tobago, Zambia, and Tanzania; a forest health guide was published; and regional forest invasive species networks were supported. International Popular Commission projects for Central Asia and Northern African countries were presented to IFAD and Italy; four chapters of Poplars and Willows of the World published; and joint events with FAO member countries were held to examine the significance of popular and willows landscape restoration in Italy, Tunisia and China. Assistance in forest monitoring, reporting and verification (MRV) was provided in 11 countries in support of REDD+ Readiness in UN-REDD projects. Guidelines for MRV were completed and training workshops completed in seven countries in Latin America. The success achieved may be attributable to donor support of field projects, country commitment and highly motivated staff.

E05 - Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option

On Track

113. This organizational result's emphasis is on livelihoods and poverty reduction, with an intensive array of field work complemented by key normative work. Support has been provided to local organizations in six countries in Asia and Africa to strengthen their capacity to assist small and medium scale forest enterprises in establishing closer links among themselves and to markets and service providers. Feasibility studies have been conducted in Ethiopia and Vietnam on ways to support smallholder forestry; based on those studies support to forestry producer organizations has been initiated. Entrepreneurial capacity and marketing

skills of small and medium forest based enterprises has been strengthened in countries of Central and West Africa as well as in the Philippines.

114. The training module used for capacity building on small enterprise development has been updated. A thematic study of the global Forest Resources Assessment (FRA) on forests, poverty and livelihoods has been initiated and data collection in Uganda has been completed. An addendum to the existing toolkit for assessing the relationship of forests and poverty, focusing on the inclusion of the informal forestry sector, is being prepared. A workshop was conducted with Central African countries and key international partners to examine barriers to wood products trade in the region. A global review of technical and environmental standards in international trade of tropical timber was conducted for the International Tropical Timber Organization. Marketing training was carried out on timber and non-timber forest products in mountainous regions for foresters from developing countries. Forest industry investment and financing events, and regional timber trade consultations for small and medium enterprises have been organized. Regional promotions of further processed wood products and legal and sustainable intra-regional trade in Africa have been designed. African FLEGT-ACP countries were consulted on piloting the techniques in the development of timber tracking systems and MRV. In carbon trade, conceptual work was conducted on bamboo-based carbon projects in South-East Asia. A payment for Environmental Services scheme was designed to organize farmers in the communities and distribute responsibilities and carbon proceeds fairly.

E06 - Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented

On Track

115. Preparations have progressed for the “State of the World’s Forest Genetic Resources” (SWFGR) report to be finalized in 2013, with regional workshops organized in Latin America, Africa and Asia. However, obstacles including the delay of many countries in nominating focal points, as well as difficulties in securing funding have limited the scope of the workshops. The network on protected areas in Latin America continues to be active. A symposium on protected areas and climate change was organized in Peru and four studies published as part of this programme. The GEF funded project on integrated natural resources management of the Fouta Djallon region covering eight countries in West Africa is being implemented; a management structure and the coordination unit have been established and 29 pilot sites in five countries selected. While the project is currently on track, it faces serious co-funding difficulties. A new GEF project on watershed management was approved and projects related to mangroves management and conservation and the importance of bush meat for food security prepared.

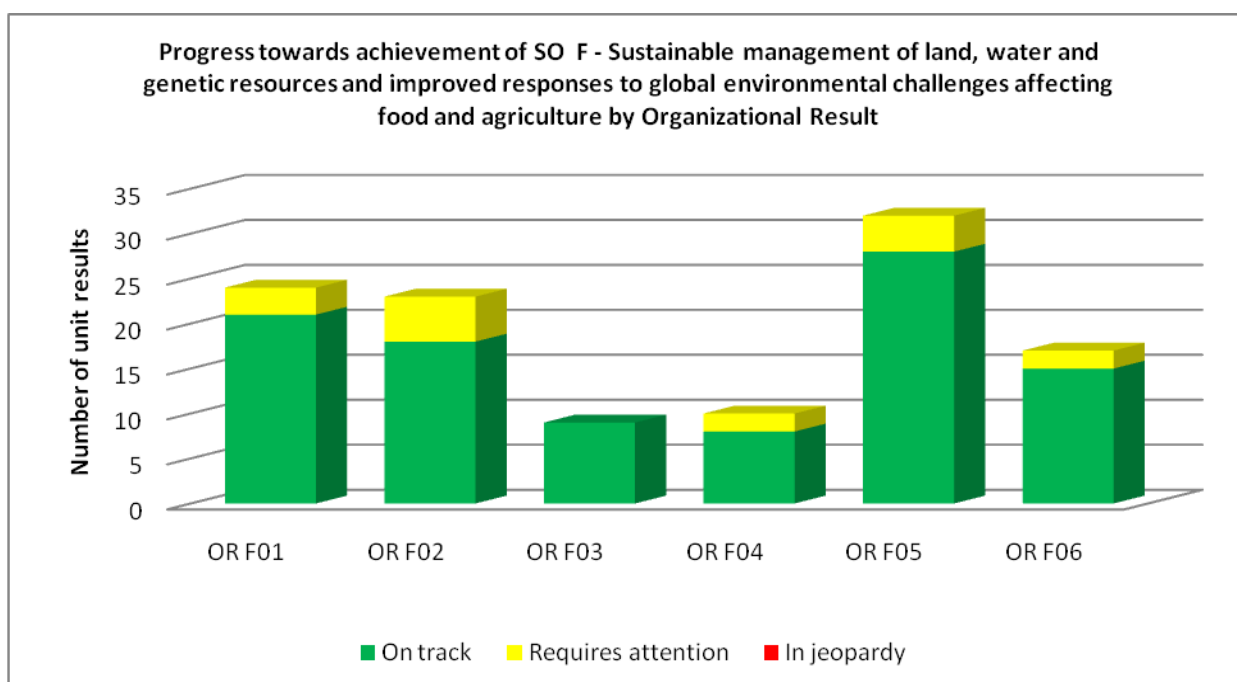
116. Forests and Climate Change Working Papers providing information and guidance on Asia Pacific, Eastern Europe and Central Asia, and case studies on wood fuels and climate change mitigation were published. A new project on watershed management, involving Mauritania and Morocco and Ecuador, is being implemented. A regional TCP to improve the management and conservations of forest and range resources in the Sahara and Sahel regions has been formulated with key regional partners (African Union). Silva Mediterranea has been revitalized and the 2nd Mediterranean Forest Week is being organized in the framework of the International Year of the Forest (IYF). In the area of wildlife management, important partnerships have been strengthened, particularly with International Council for Game and Wildlife (CIC) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture

Overview

117. At the end of the first year, progress towards the achievement of the six organizational results is on track.

118. Constraints include the delay or non-approval of projects and limited numbers of technical staff with the necessary skill-mix in some decentralized offices, but they are not expected to significantly affect overall progress toward the achievement of the organizational results since Management is taking action to improve the staffing situation in 2011.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

F01 - Countries promoting and developing sustainable land management

On Track

119. The draft "State of Land and Water" flagship report was completed as was the global agro-ecological zoning (GAEZ) information system which was made available for on-line usage. New FAOSTAT Land use data was released, the Agro-MAPS system updated and core standards for Land Cover Classification developed. The Land Degradation Assessment in Drylands (LADA) project was completed, including the development of an on-line Global Land Degradation Information System, six national land degradation inventories, as well as support provided to 30 countries through regional training workshops on LADA methodology. Generic guidelines on soil erosion assessment have been developed. Support to sustainable land management (SLM) has been provided through the development of technical guidelines, national inventories on good agricultural practices, the knowledge base provided by the TerrAfrica project and the Kagera transboundary ecosystem management project. Geospatial core information systems, including data on rainfall, vegetation, fire monitoring, mangroves and land cover have been enhanced. Improved distribution and cataloguing of the data was achieved through the continued operations of FAO's Geospatial data portal GeoNetwork. Coordination continues with the United Nations Convention to Combat Desertification Secretariat. Globally Important Agricultural Heritage Systems (GIAHS) activities included: national workshops in 11 pilot countries; publications and documentaries on agricultural heritage systems; video and documentaries; GIAHS seminars, exhibits/Fair and Side

Events. The organic agriculture (OA) Website was updated, three expert meetings on OA and climate change held as well as workshops on the Asia Regional Organic Standards and supportive comparative studies.

F02 - Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems

On Track

120. A comprehensive framework and accounting methodology for freshwater was validated, and a basin wide water audit was initiated in the Okavango Basin and Awash Basin (Ethiopia). Guidelines on spate irrigation were published, a workshop was organized to streamline good practice in spate irrigation and a network of spate professionals and practitioner was established. Guidelines were published on small dam construction and maintenance. Within the "water and rural livelihood" programme, workshops on irrigation modernization were held, livelihood mapping was performed in five countries of Africa and two states in India, the suitability of irrigation technologies for poverty reduction were assessed and discussed in national workshops. Preparations were initiated for a similar initiative in the Asia and Pacific Region. Capacity development workshops on farm management strategies to improve crop-water productivity using AquaCrop have been carried out. Training on the application of MASSCOTE (Mapping System and Services for Canal Operation Techniques) was provided with 18 countries receiving technical support and training in crop water assessment. The AQUASTAT statistical system was updated, including the addition of irrigated cropping calendars and a new Website homepage developed. Statistical data exchange with OECD and Eurostat is ongoing. Major steps were made towards the creation of the Regional Observatory of Natural Resources and Environment in the Fouta Djallon Highlands in Guinea. A global water monitoring, early warning and reporting mechanism, promoted with UN-Water, was initiated. A programme was initiated in collaboration with UN partners for training workshops on safe use of wastewater in agriculture and a manual of wastewater use for small scale agriculture was prepared and a paper on wastewater economic was published as part of FAO's Land and Water Publication Series.

F03 - Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources

On Track

121. Two Bureau meetings of the Commission on Genetic Resources for Food and Agriculture (CGRFA) and a Joint Meeting with the Bureau of the International Treaty on Plant Genetic Resources have been held; preparations for CGRFA-13 are proceeding well. The Website of the Commission has been regularly reviewed and updated and communication materials have been revised and re-printed. The Commission's Intergovernmental Technical Working Group on Animal Genetic Resources for Food and Agriculture held its sixth session which was attended by more than 100 delegates. The Second Report on the State of the World's Plant Genetic Resources for Food and Agriculture, prepared at the request and under the guidance of the Commission, was published. Preparatory work towards The State of the World's Aquatic Genetic Resources has been initiated. Preparations for The State of the World's Forest Genetic Resources and for the first meeting of the Commission's Intergovernmental Technical Working Group on Forest Genetic Resources are under way. Cooperation of the Commission with the International Treaty on Plant Genetic Resources for Food and Agriculture has been reviewed and considered by the joint meeting of the Bureaus of the Commission and of the Treaty. Coordination and secretariat services for FAO's involvement in the International Year of Biodiversity were provided. Interdepartmental work related to biodiversity was facilitated and FAO's biodiversity Website was relaunched. The implementation of a Joint Work Plan with the Secretariat of the Convention on Biodiversity is proceeding well and negotiations of a Phase 2 of the Joint Work Plan have been initiated.

F04 - An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development**On Track**

122. Fourteen consultations were held to identify issues to be considered in the preparation of the Voluntary Guidelines (VG) on the responsible governance of tenure of land and other natural resources. The FAO Council expressed support for the VG process and the Committee on World Food Security (CFS) encouraged the continuation of the inclusive process for the guidelines development. CFS established an open-ended working group to review the first draft. Partnerships with government organizations, civil society, professional bodies and UN Agencies were established and briefings held for the Permanent Representatives and for UN organizations. Guidelines on the "Compulsory acquisition of land and compensation" were prepared. Three complementary publications were prepared regarding land tenure arrangements and natural disasters, jointly with UN-HABITAT under the Inter-Agency Standing Committee for Humanitarian Assistance. The "Food for the Cities" multidisciplinary initiative developed and strengthened a network of more than 500 actors, including a discussion forum, to address local food systems centered on cities with an emphasis on improving urban-rural linkages and the management of natural resources. The FAO Land Tenure Journal was launched as a revised electronic journal. Work was initiated on the development of open source software for land administration and on the preparation of technical guidelines for improving the governance of tenure. Technical and policy advice was provided to 18 countries in 4 regions in the areas of leasing of state owned agricultural land, pastoral tenure, strengthening of state land tenure institutions, land consolidation and computerization of land administration.

F05 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy**On Track**

123. Climate change (CC) activities expanded considerably, including the organization of CC Days and the development of a framework programme on CC adaptation. Contributions to the international CC debate were provided, including to the Hague conference and the UNFCCC COP-16 in Cancun; the concept of "climate-smart agriculture" was coined and widely accepted. Major expansion of activities related to CC mitigation was achieved with the UN-REDD programme and the Mitigation of Climate Change in Agriculture project (MICCA). Improved capacity in member countries on the role and management of livestock in climate change mitigation has been achieved. Software for providing ex-ante estimations of the impact of agriculture and forestry development projects on greenhouse gas emissions and carbon sequestration appraisal was applied and tested at country level. Climate impact related backstopping was provided to a large number of countries, including climate risk reduction. Work on CC adaptation centered around capacity building and national and regional training workshops were provided, as well as numerous backstopping missions. Bioenergy for Food Security (BEFS) work was completed in three countries and the WISDOM methodology applied in more than ten countries. Drafts of the Global Bioenergy Partnership (GBEP) sustainability indicators were completed. Training was provided to countries on the use of modeling tools demonstrating trade-offs between biofuel production and land-water resource management. Preparations for the RIO+20 conference have started and inputs provided to UNEP and DES. Documents produced related to sustainability frameworks and payment for environmental services (PES).

F06 - Improved access to and sharing of knowledge for natural resource management**On Track**

124. Several milestones have been reached for improving knowledge of natural resource management and food insecurity. For the global extension investment assessment project, a methodology was developed for calculating the investment projections and a Worldwide Extension Study was prepared. The coalition with CGIAR, GFAR and GFRAS has been greatly strengthened and FAO became a member of the GFAS Steering Committee. The Global Conference on Agricultural Research for Development (GCARD) was highly successful, leading to the development of a Road Map for a collective plan of action. The "Coherence in Information for Agricultural Research for Development" (CIARD) initiative was endorsed with the

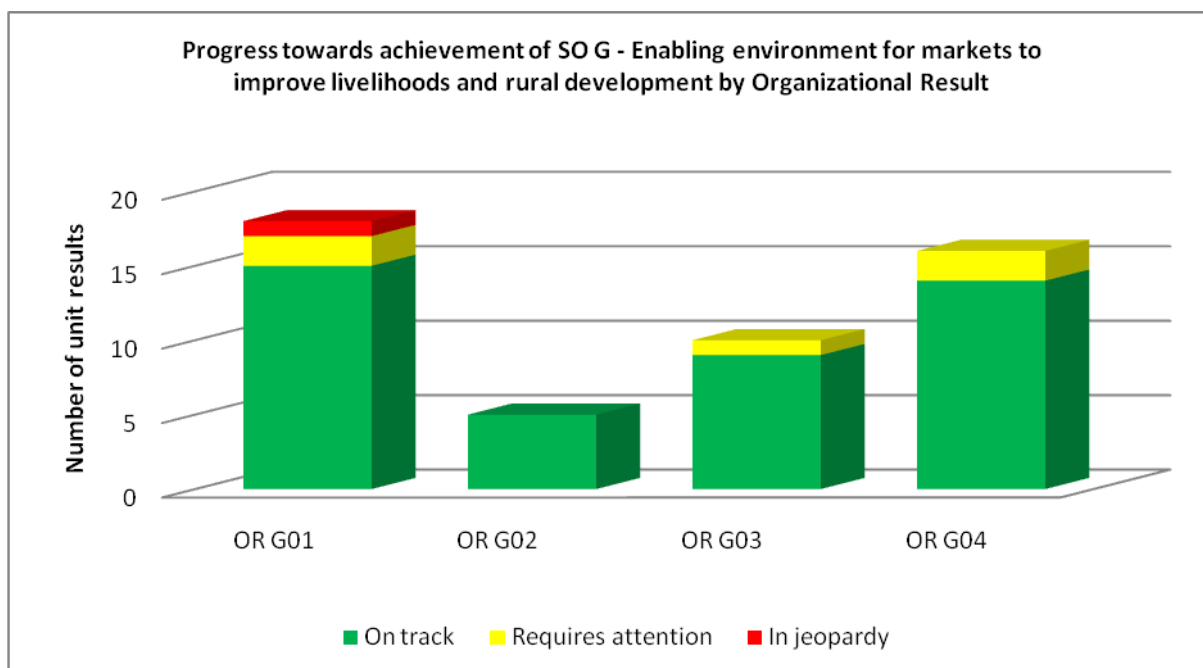
CIARD “Routemap to Information Nodes and Gateways” leading to the extensive sharing of data. Regional workshops in the framework of CIARD were organized and the CIARD Web-platform re-launched. Various institutions and regional networks are now in compliance with the CIARD and AGRIS initiatives and have access to AGORA. Various country tools were developed in compliance with AGRIS and CIARD. Two assessments were prepared on two new CGIAR research programmes. Technical backstopping missions were executed to NARS to support national AGRIS and CIARD activities. Several assessment studies on the status of the human capacity development in agricultural extension have been developed. The FAO biotechnology Website was updated. A Regional Plan of Action to support European and Central Asian countries in biotechnology and biosafety was elaborated and regional trainings prepared. The Communication for Sustainable Development Initiative (CSDI) is successfully being implemented with fourteen Communication for Development strategies and guidelines in support of sustainable natural resources management produced.

G - Enabling environment for markets to improve livelihoods and rural development

Overview

125. At the end of the first year, progress towards the achievement of the four organizational results is as on track.

126. The scope of SO G is extremely wide-ranging and hence poses some challenges in ensuring coherence. The emphases within the SO G were adjusted in line with changes in global priorities, with greater priority being given to work on price volatility in G04. However, available resources have constrained the extent to which such adjustments were realized. Extrabudgetary resources have played a significant role in the successes under this SO, notably in regard to the work on smallholder market access. Resource mobilization efforts will be enhanced to ensure continued funding for the work in this area.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

G01 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements

On Track

127. A methodological guide for developing business partnerships targeted at governments and farmers organizations was developed. Workshops were organized for heads of government extension services in the five ACP (Africa, Caribbean and Pacific) regions to discuss the need for agricultural extension to be more market-oriented. Work has started on elaborating technical guides for implementing contract farming operations and on post-harvest handling in the value chain. Considerable field work on smallholder access to markets has included capacity building to strengthen producer organizations in the framework of the All ACP Agricultural Commodities Programme (AAACP) and Trust Fund projects as well as the provision of services to smallholders, including finance and inputs supply. The Rural Finance Learning Centre has been reshaped and has grown to 4,500 subscribed members. Eight new Agricultural Diversification Booklets were developed bringing the total number of booklets to 21. Work in RAF in this area has been constrained by the lack of specialized staff which should be rectified during 2011.

128. Analysis on the strengths and weaknesses of small-scale agriculture in African countries was completed. The impact of several factors such as scale, both of economic and social capital on market integration, profitability and viability of smallholders was identified, providing policy implications for related work at country level. Additional analysis on the impact of targeted fertilizer subsidies has been completed addressing issues such as the displacement of commercial input sales and the impact on technology adoption by smallholders. Furthermore, a publication requested by the Director General on “Good practices in building agricultural and rural development institutions: how to empower small-scale producers and increase food security” has been prepared by the Interdepartmental Working Group on Institution Building and will be disseminated jointly with IFAD in early 2011.

G02 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships

On Track

129. Several knowledge products related to gender, youth, poverty and investment issues with respect to rural employment, decent work and access to land in country, regional and global contexts have been developed and published. Methodological frameworks have been developed, databases created and analysis performed with respect to prevailing obstacles to productive and decent rural employment, access to land and income diversification at sectoral, national and regional level. Awareness raising and capacity building on the importance of rural employment and access to land have been carried out through numerous workshops, seminars, a regional conference in Latin America and other promotional events. Technical assistance has been provided through the implementation of numerous project activities at country level, including UN Joint Programmes (UNJPs) in partnership with sister UN agencies and in support of FAO country programmes and UNDAFs (e.g. youth employment creation through Junior Farmer Field and Life Schools in more than 10 countries). Policy advice on rural employment and decent work issues (including the prevention of child labour) in the context of agricultural and rural development has been provided within the framework of field projects, meetings and workshops. Existing strategic partnerships with other development actors have been strengthened and new partnerships established. Overall, the thematic area of rural employment and the labour-land nexus have obtained further recognition within and outside FAO.

G03 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries

On Track

130. A book on agricultural value chain finance and documents on investment, finance and mechanization were published. Considerable progress has been made in other areas including: support for policy and institutional strengthening of

agribusiness, mechanization strategies and financial services; training in agricultural value chain finance; and support on reinforcement of commodity association through workshops in Africa involving more than 15 countries. In addition, building on work from previous biennia, significant progress has been made in capacity building support for small and medium agri-processing enterprises (SMAEs) through preparation and publication of capacity building materials. Roundtables on SMAE competitiveness were successfully organized in Africa, Central America and Asia while an additional set is being planned in 2011 for CEE/CIS countries and the Caribbean. Work continues on building partnerships, most notably regarding the African Agribusiness and Agro-Industries Initiative (3ADI) programme framework which was developed with UNIDO and the African Union Commission (AUC). The appraisal of prospects and requirements in specific sub-sectors in Africa is being launched with external partners.

131. Attention is required for the contributions dealing with support and field programme development, for which funding has not yet been obtained as expected. However, related issues are being addressed and it is expected that the respective contributions to the organizational result will be largely met.

G04 - Countries have increased awareness of and capacity to analyze developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies

On Track

132. All of the activities planned under GO4 are now expected to be completed by the end of the biennium, including those for which recruitment of staff delayed initiation. Several areas of work, including those related to price volatility, market information and analysis, foreign direct investment and greater regional integration have been expanded beyond that originally planned in light of demand from member countries. The focus of the Commodity Market Review was on the topic of volatility and an edited version of papers related to volatility has recently been finalized. This work on price volatility has provided a solid basis for the preparation of documents for the G20. Related work on market information and analysis included support to the Extraordinary Intersessional Meeting of the Intergovernmental Group (IGG) on Grains and the IGG on Rice held during 2010. A comprehensive set of price data was released and validation of international trade statistics undertaken. With greater attention being placed on the implications of international investment in agriculture, a review of eight African country case studies was published and side events on the envisaged international code of conduct on responsible investment in agriculture held at three FAO Regional Conferences. Analytical work on market developments related to non-basic food commodities have continued. Activities in support of regional integration of food staples markets have been undertaken in a number of sub-regions and at headquarters. Technical assistance to the WTO global trade negotiations, which is traditionally provided on demand, has not been as significant as expected during 2010. The 6th Annual OECD-FAO Medium Term Outlook 2010 was successfully launched. Analyses and preparations are underway for the 7th Outlook in July 2011.

H - Improved food security and better nutrition

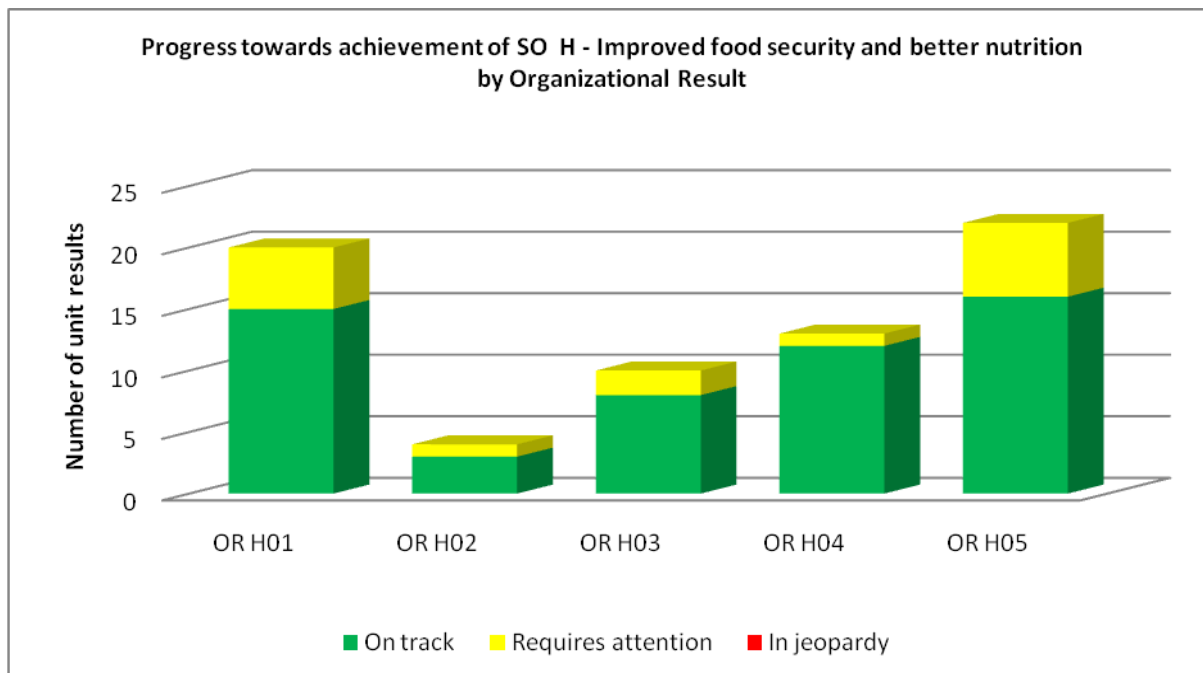
Overview

133. At the end of the first year, progress towards the achievement of the five organizational results is on track.

134. Central to the success achieved is traditionally strong relationships with regional organizations and with member countries and the convergence of technical areas of expertise related to food security and nutrition data and information generation, analysis, policy, strategy, and food security governance work, in addition to effective knowledge exchange at headquarters, regional, subregional and country offices. The work of no less than eight major disciplines in FAO is captured in the five organizational results supporting the achievement of Strategic Objective H.

135. Progress has been less than anticipated in situations, where key staff positions were vacant during 2010 or where envisaged extra-budgetary resources did not come on stream as quickly as

anticipated. The filling of vacant posts is proceeding well and will support improved delivery during 2011. The mobilization of resources has played a key factor in achieving good progress towards the delivery of the organizational results and the strategic objective as a whole.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

H01 - Countries and other stakeholders have strengthened capacity to formulate and implement coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition

On Track

136. Support has been provided to various countries and regional economic integration organizations (REIOs) for the formulation, implementation, monitoring and evaluation of sectoral and cross-sectoral agricultural development and food and nutrition security policies, strategies and programmes. Food security and nutrition policy and programme support has been provided at country level in Africa, with a focus on the Comprehensive Africa Agriculture Development Programme (CAADP), and in Asia, Latin America, the Caribbean and Europe. Support was also provided to regional organizations including the Arab Maghreb Union (AMU), the African Union’s New Partnership for Africa’s Development (AU/NEPAD), the South Asian Association for Regional Cooperation (SAARC), the Association of South-East Asian Nations (ASEAN), the South African Development Community (SADC), the Economic Community of Central African States (ECCAS), the Permanent Interstate Committee for Drought Control in the SAHEL (CILSS), the Caribbean Community and Common Market (CARICOM), the Caribbean Forum of African, Caribbean and Pacific States (CARIFORUM) and the Commonwealth of Independent States (CIS). New tools, methods and innovative approaches to capacity development for policy and programme monitoring and impact assessment were designed and disseminated. Support to "food security through commercialization" has been particularly successful.

137. A number of vacancies in key posts has slowed implementation; however, these posts were filled in early 2011, which will allow delivery to accelerate during the course of 2011.

H02 - Member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security

On Track

138. Progress has been achieved in strengthening food security governance at the global level through the reform of the Committee on World Food Security (CFS). Through its reformed structure, and including the High Level Panel of Experts (HLPE), the CFS is now playing a greater role in global dialogue and coordination of challenges to achieve food and nutrition security, while strengthening policy convergence and facilitating support and advice to countries and regions. Policy convergence is being pursued through debate on key issues affecting food security and nutrition, such as the consultative processes to develop 'Voluntary Guidelines on the Responsible Governance of Tenure of Land and Other Natural Resources' and a 'Global Strategic Framework for Food Security and Nutrition'. Against a background of rising food prices and economic crises, interest in a right to food approach in food security and nutrition work has increased worldwide. FAO support to the progressive realization of the right to food is on track with the integration of principles of good governance into the formulation and implementation of food and nutrition programmes in Sierra Leone, Tanzania/Zanzibar and Uganda. Legal, institutional and policy frameworks are being strengthened in seven countries, which includes the integration of the right to food into legislative, policy or strategic frameworks in Brazil, Kenya, Honduras and El Salvador. Nepal, Mozambique and Bolivia have undertaken initiatives to promote advocacy, communication and education on the right to food. However, support to the development of human rights-based programmes and safety nets targeted at vulnerable groups in seven countries has been delayed; steps have been taken which will accelerate implementation 2011.

H03 - Strengthened capacity of member countries and other stakeholders to address specific nutrition concerns in food and agriculture

On Track

139. Policy briefs, papers, publications and technical reports on food-based approaches for combating micronutrient malnutrition, the impact of climate change, biofuels and of food price volatility on nutrition were produced. Dietary guidelines, methods and tools, including a range of education resource materials for teachers and learners, were developed and disseminated. The "International Symposium on Food and Nutrition Security: food-based approaches for improving diets and raising levels of nutrition" was organized as part of the preparations for a joint FAO/WHO International Conference on Nutrition (ICN+20). Support was provided to mainstream food and nutrition security objectives into inter-agency nutrition-related initiatives at global, regional and country levels (e.g. United Nations Standing Committee on Nutrition (UNSCN), High Level Task Force on the Global Security Crisis (HLTF), Commonwealth Forestry Association (CFA), Committee on World Food Security (CFS) and the High Level Panel on Experts on Food Security and Nutrition (HLPE-FSN)) as well as related communication and knowledge sharing activities. High demand from member countries resulted in a significant field programme with technical support provided to over 40 countries in food and nutrition policy, strategy and in developing plans of action. Nutrition education and communication capacity needs assessment and projects linking school feeding, child nutrition and family agriculture and food security interventions with intensive nutrition education were undertaken.

140. Adequate staffing to ensure timely actions has been a major constraint at headquarters and at the Regional Office for Africa. The recruitment of project staff, consultants and volunteers has been initiated to support successful implementation of this OR by end 2011.

H04 - Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition

141. Toward the target of 35 countries using FAO standards for food and agricultural data and statistics, there were 12 active projects in 27 countries for the adoption of FAO statistical standards; 17 countries, which implemented the FAO Web-based information system for food and agricultural statistics at national and sub national levels (CountrySTAT); and 10 countries received support on the

Census of Agriculture, Agriculture Statistics, Agriculture Surveys and Agriculture Statistical Systems. Estimates of apparent fish consumption for 2007 was completed, while the revision of species grouping is in progress. A review of the height database and methodology was delayed.

142. Five regional workshops on data collection, analysis and dissemination were organized, with support and participation from Regional Offices in Tunisia, Mali, Costa Rica, Fiji and Kenya. A total of 150 participants from 70 countries took part. FAOSTAT recorded a monthly average of 7.9 million hits in 2010, exceeding the target of 6.5 million hits. Since FAOSTAT users were invited to register on line in July 2010, over 5000 had done so by December. A tool launched for generating gender-disaggregated data and indicators was disseminated in RAF, while a regional statistical yearbook was published in RAP. Support was provided to five Observatories on Food and Nutrition Security and a Regional Scale for Food Security was introduced in six countries in RLC.

H05 - Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge

On Track

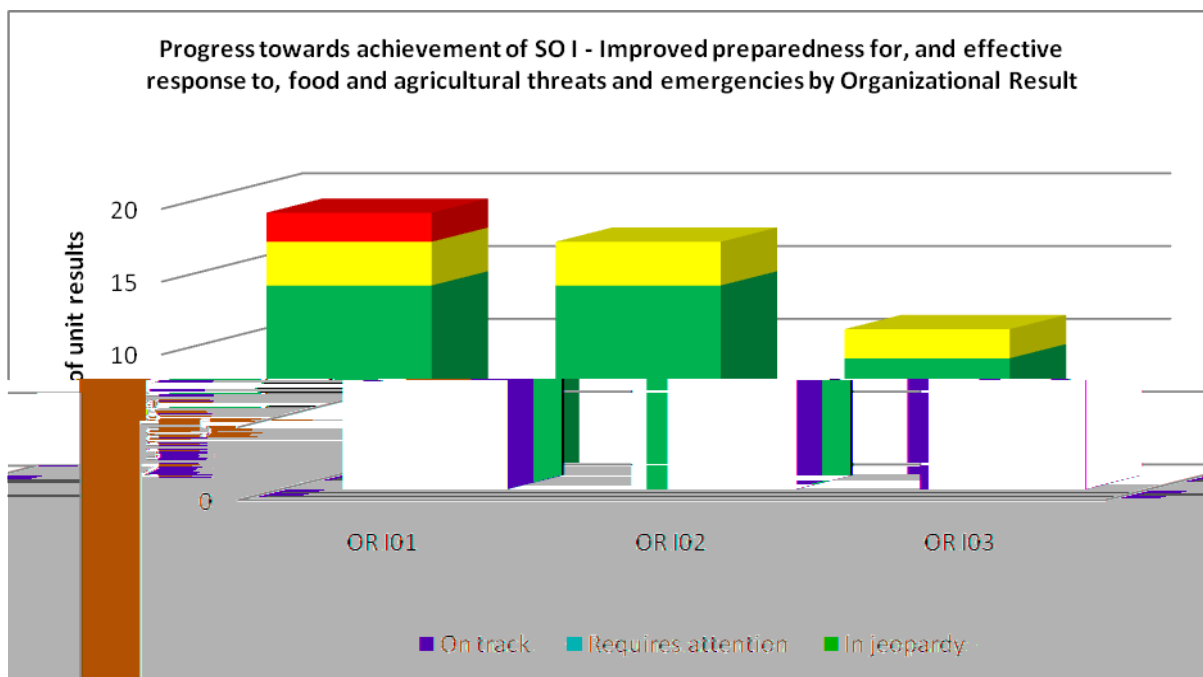
143. FAO analysis and information products on food security, agriculture and nutrition have been released, including the major flagship publications “The State of Food and Agriculture” (SOFA) and “The State of Food Insecurity in the World” (SOFI); five additional Nutrition Country Profiles were released, in addition to a number of information products under the Global Information and Early Warning System (GIEWS). The scope and coverage of products under GIEWS has expanded. Information content has been added to the major corporate information systems and databases such as the Document Repository. The FAOLEX database deserves special mention as it is nearing a record 100,000 entries. The number of Web visitors per month searching for FAO knowledge and information resources, or products on food security, agriculture and nutrition has reach 4.1 million visitors against a target of 5 million by end 2011. At regional and country levels, countries' capacity to exchange knowledge has been strengthened through a growing e-Agriculture global community of practice. Support has been provided for the development of national information management systems in all regions. National innovative knowledge sharing methods for capitalizing on good agricultural practices were successfully tested in West Africa. Thematic knowledge networks have been strengthened, especially in the Near East and in Central and Eastern Europe. The adoption of e-learning approaches to enhance individuals' skills has intensified in several technical domains, with more FAO units and external partners participating in development of curricula, and dissemination of existing learning resources.

I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies

Overview

144. At the end of the first year progress towards the achievement of the three organizational results is on track.

145. Key success factors include: the integration of lessons learnt and good practices into the formulation and implementation of disaster risk management (DRM) strategies at regional and country levels; and the close and effective coordination of FAO's technical and administrative divisions in preparedness for and response to emergencies. Constraints to be addressed are the limited staffing dedicated to addressing DRM normative functions as well as the integration of field and headquarters initiatives in DRM.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

I01 - Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions

On Track

146. Technical advice and capacity building support has been provided for the preparation of sectoral disaster risk reduction (DRR) plans in agriculture. Regular early warning reports for countries facing food difficulties as well as Global Information and Early Warning System on Food and Agriculture (GIEWS) country briefs have been issued. Join Crop and Food Security Assessment Mission (CFSAMs) have been carried out and the Integrated Food Security Phase Classification approach rolled out. Prevention of and preparedness for transboundary animal and plant pests and diseases has continued through the Emergency Preparedness System (EMPRES) and the Food Chain Crisis Management Framework. Forestry and watershed management plans and approaches have been developed. Consultations on disaster risk management (DRM) and climate change adaptation for the fisheries and aquaculture sector have been carried out and DRR/M and climate risk awareness and capacities developed at regional level. Based on current FAO DRR/DRM good practices, a Framework Programme for Disaster Risk Reduction and Management was developed to scale up existing FAO's technical and operational experience within a strategic and programmatic approach at global, regional, national, and local levels. In Latin America, resources mobilization efforts are underway to secure the necessary funding to implement the planned activities.

I02 - Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions

On Track

147. FAO's emergency response programme has undertaken significant activities in more than 60 countries. Through Plans of Action and regional DRM strategies, emergency response was positioned within the broader context of prevention, mitigation, preparedness, and post-emergency transition with lessons learnt, innovations and evaluation recommendations embedded in the design of new response activities. FAO's contribution to coordinated national response plans and activities has been enhanced through the development of new needs assessment tools. The food security cluster approach to the formulation and management of emergency response has been strengthened through an in-depth collaboration with WFP. Specific support was provided to activate new security related clusters in Benin, Haiti, the Niger, Pakistan, and

Tajikistan. Gender sensitive DRM programmes were developed in many countries and efforts were made to mainstream disaggregated DRM targeting. Countries received direct support in the assessment and response to outbreaks of transboundary and zoonotic diseases through the deployment of nine rapid response missions from the Crisis Management Centre-Animal Health (CMC-AH). Technical expertise was made available to governments and partners through the preparation and dissemination of guidelines and standards such as the publication on "Seed in Emergencies: A Technical Handbook" and the "Livestock Emergency Guidelines and Standards." Countries also were supported through technical assistance for the formulation and backstopping of emergency programmes, as well as the provision of relevant training and advisory services.

I03 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development

On Track

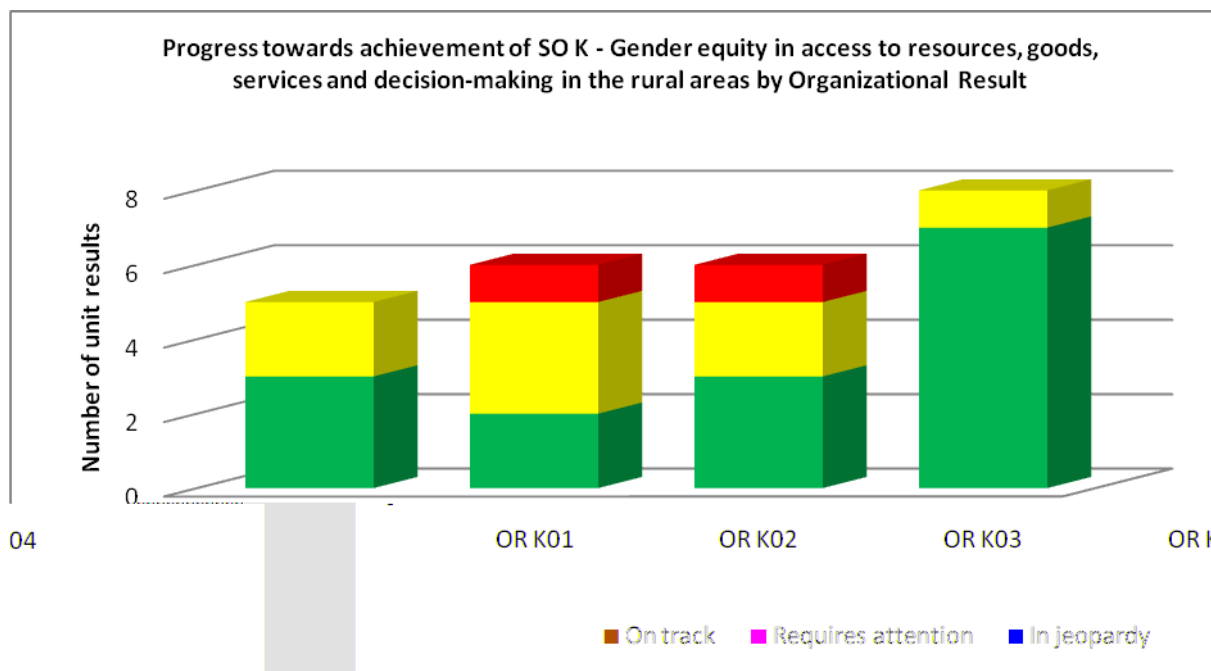
148. Guidelines and internal protocols have been developed to assist countries in their development of strategies and plans for agricultural recovery and transition. These guidelines have been used in all sudden onset emergencies and 50 percent of the protracted emergencies since May 2010. Support has been provided to strengthen the resilience of food and agricultural systems through: seeds systems development and improved crop production in more than 20 countries; policy advocacy and improved contingency planning in the Regional Office for Africa (RAF); the provision of general policy directions for protracted crises (the State of Food Insecurity -SOFI); and mainstreaming transition in the FAO Country Programme Framework guidelines. The FAO/EU Food Facility Programme assisted farmers in 28 countries in Asia, Africa, and Latin America to meet their immediate needs to produce additional food. Significant emphasis has been placed on individual and institutional capacity building and the introduction of more durable technologies to encourage efficient, sustainable, and resilient crop and livestock production systems. Clear exit strategies, as well as medium- to long-term rehabilitation and development objectives have been incorporated in nearly all sudden-onset disaster response plans and interventions since June 2010. In addition, investment strategies and plans linking emergency interventions with medium- to long-term development objectives have been developed for some 15 percent of FAO's supported emergency interventions.

K - Gender equity in access to resources, goods, services and decision-making in the rural areas

Overview

149. At the end of the first year progress towards the achievement of two of the organizational results is on track, with two organizational results requiring some attention.

150. There has been notable progress in the implementation of the activities envisaged for the year in review. However, gender equality in the agriculture sector requires a long-term strategic approach with requisite human and financial resources being identified and allocated. The prevailing misperception is that efforts to address gender issues are the sole responsibility of SO K. This view coupled with limited human and financial resources particularly in FAO's decentralized offices have affected the overall progress towards the achievement of the organizational results. Management is taking action to address these constraints through implementation of the recommendations of the FAO/UNIFEM Gender Audit.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

K01 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development

On Track

151. Liaison was established with all Member countries participating in the pilot phase of UN Joint Programming (UNJP). FAO developed and sent to selected FAO offices tools and methodologies for strengthening their capacity to address gender in the UNJP projects. The Regional Office for Europe established a gender team to accelerate the integration of gender equality issues into the regional programme of work, with specific focus on technical support to the Government of Albania in mainstreaming gender issues into a national land consolidation project. Significant progress was made in mainstreaming gender in value chain agriculture with a number of women-focused capacity building and training opportunities organized. A gender focused study entitled "Mechanisms to ensure the participation of women in Shea value chain: A case study of two interventions in Northern Ghana" was completed.

K02 - Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources

Requires Attention

152. The Socio-economic and gender analysis tool (SEAGA) was updated and adapted with additional modules on Gender and Climate Change, and Gender and Water Management produced. A capacity development needs assessment exercise for gender mainstreaming in the Asia and Pacific Region and a gender mainstreaming sensitization workshop were conducted. Demand-driven technical support was provided to the World Agricultural Census exercise at conceptual and field level ensuring gender disaggregated data were captured and analyzed. In a closely related exercise, technical support in the re-tabulation of census data was provided to Vietnam, Cambodia, and Laos which resulted in the production of gender profiles for use by decision-makers.

153. Demand emerging from member countries and FAO decentralized offices indicates greater emphasis should be placed on collection, analysis, dissemination, and use of sex-disaggregated data. This will be an area of increased emphasis throughout the course of 2011 and PWB 2012-13.

K03 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development

On Track

154. The State of Food Security (SOFA 2010/11) – Women in Agriculture: Closing the Gender Gap for Development was finalized and is to be launched in March 2011. Considerable progress was achieved in the joint FAO/Malawi Statistical Office project for the elaboration of a gender country profile for the agricultural sector. A similar initiative was undertaken together in Ghana with national counterparts. A review of the gender dimensions in the Regional Investment Agricultural Plan for Benin, Cote d'Ivoire and Togo was undertaken. Extensive technical support for the collection, analysis, and use of gender disaggregated data has been provided to member states in central and eastern Europe. FAO provided leadership in the formulation and finalization of Indigenous Peoples Policy; a process which involved extensive consultations with indigenous peoples groups and a wide community of practice to arrive at a mutually satisfactory policy document.

155. Particular attention is required on delivery in the Central and West Africa sub-regions, where delays were experienced due to shortage of staff and unfavourable conditions in the field.

K04 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work

Requires Attention

156. A Gender Audit of FAO was undertaken by UNIFEM (United Nations Development for Women) in close collaboration with all headquarters units including the Gender Focal Point network and several regional, subregional, and country offices. The report made available in December 2010 provides a good background information on gender mainstreaming at FAO and identifies the weaknesses and challenges which jeopardize the Organization's gender mainstreaming work. The gender audit process allowed the strategic objective team to identify systemic and team problems within FAO that impede the achievement of the OR.

157. Plans were developed to address the audit report's recommendations with management seeking the financial and human resources to implement corrective actions. Based on the recognition that gender mainstreaming is a complex process requiring behavioural change at individual and institutional level, achieving the organizational result requires urgent and sustained attention.

L - Increased and more effective public and private investment in agriculture and rural development

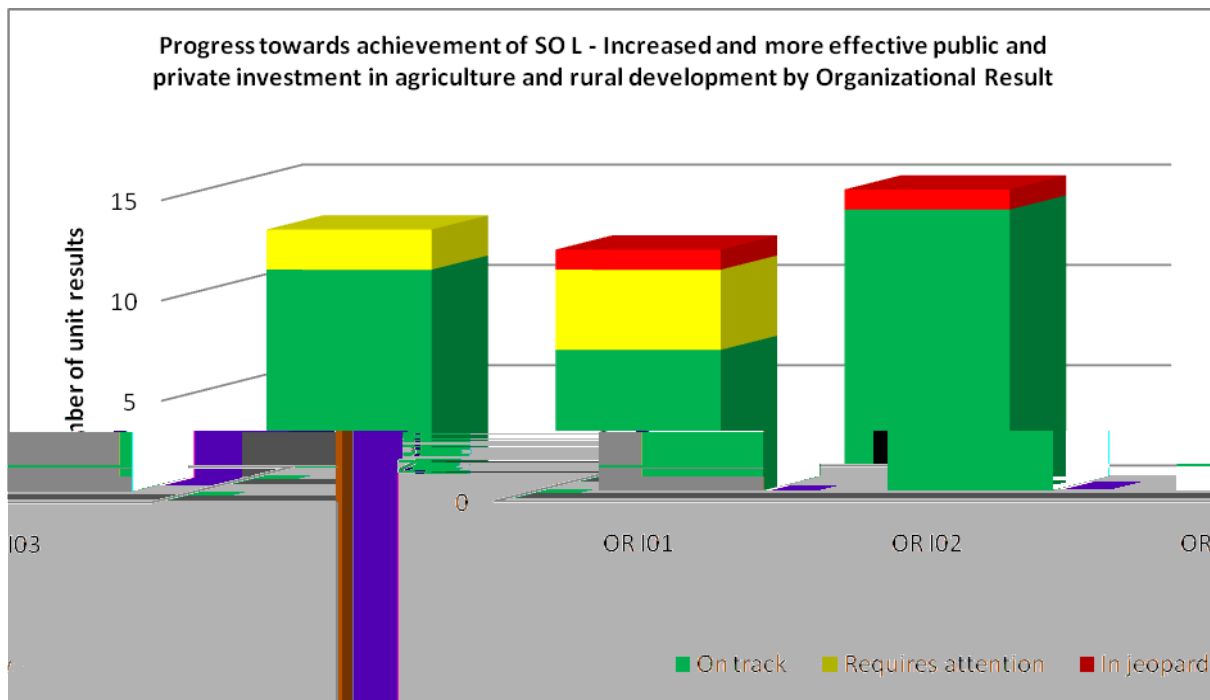
Overview

158. At the end of the first year progress towards the achievement of the three organizational results is on track.

159. Increased focus on food security, agriculture and rural development since the 2008 food crisis has not only led to increased investment, but also has facilitated a key shift in the work of the Organization toward strengthening country strategies and policy frameworks that underpin agricultural investment. Demand for capacity development in investment planning and implementation has risen correspondingly, however, supporting resource mobilization has lagged relative to demand. Other significant impediments to SO L achievement include: delayed recruitment for subregional investment officers' positions due to difficulty in identifying candidates sufficiently qualified to perform billable work under FAO cost sharing arrangements with International Financial Institutions (IFIs), insufficient knowledge within FAO of the Global Environment Facility (GEF) results based management (RBM) approach to project design; and the substantial preparatory work required to set the foundations for effective support to public-private partnerships and South-South cooperation.

160. Key lessons learned include the value of structured regional frameworks for effective strategy and policy development, (e.g. the Comprehensive African Agriculture Development Program (CAADP)) the importance of partnerships and linkage to investment support in capacity development, the value of targeted investment funding in supporting country development programs (e.g. GEF and

the Global Agricultural and Food Security Program (GAFSP)) and the need for strong linkages between headquarters and subregional technical staff in support of public and private sector investment.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

L01 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks

On Track

161. FAO outputs and financial delivery are on track, supported by rising assistance to agriculture and food security policy and strategy formulation following the L'Aquila G8 meeting and accelerated by the Global Agriculture and Food Safety Programme (GAFSP). FAO has supported the development of ten Comprehensive African Agriculture Development Programme (CAADP) Country Compacts in 2010, while country policy analysis work for the European Bank for Reconstruction and Development (EBRD) has increased substantially in 2010. Work on innovating financing has progressed through a preliminary survey and three concept papers; FAO has been admitted into the 55 member Leading Group on Innovative Financing for Development. Based on intensive FAO policy advice, a number of countries identified food security as a critical development principle, resulting in agricultural policy reform that is expected to lift public expenditure in agriculture and rural development. The External Assistance to Agriculture (EAA) database was up-dated for the period 2004-2008 and a program of data collection on Government Expenditure in African agriculture initiated. Preparation of the SOFA on investments in agriculture is progressing. Evidence-based analysis in support of investment in water for agriculture has been carried out in Kenya and Zambia, while financial and institutional diagnostic tools are in an advanced stage of development. FAO in collaboration with IFIs, WFP and other institutions has prepared a number of strategic papers and sector studies, and organized several fora on investment strategies in member countries. RAP, REU and RLC all report significant progress towards the attainment of their organizational result targets, with the ADB-FAO-IFAD Investment Forum for Food Security in Asia and the Pacific a significant event in RAP. Progress in RAF and SEU is rated as requiring attention, in both cases due to staffing gaps, which are being addressed.

L02 - Improved public and private sector capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations

On Track

162. Capacity development of national and regional partners for planning, implementation, monitoring and evaluation of investments under national and regional food security programmes, has been supported through South-South cooperation and a range of food security projects in Africa, Asia and Latin America. Investment related knowledge and guidance products have been developed and updated, and training and implementation support has been provided for key tools such as RuralInvest, not just by headquarters (TCI) but by several decentralized offices in particular in REU and RLC. Broader investment training has been provided on the job, in formal training events and through promotion of peer learning in study tours. Progress was made in appraising investment promotion mechanisms and in related country support. Some challenges have been encountered, in particular with respect to planned agri-investment needs assessments, support to the seed sector in REU, and pace of implementation of capacity development support in some decentralized offices.

163. Key success factors are close collaboration of FAO units with national and regional counterparts, as well as partner organizations and IFIs in the context of a country-led development agenda, targeting capacity development support to identified needs, and integration of capacity development into broader investment support (L1 and L2). Significant parts of the L2 programme are implemented through close collaboration between headquarters and the decentralized offices. Key challenges are mobilization of needed additional resources for training, loss of key staff in some units, overly optimistic targets, and delays in implementation - in some cases at the request of or caused by key partners and target beneficiaries in the regions.

L03 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed

On Track

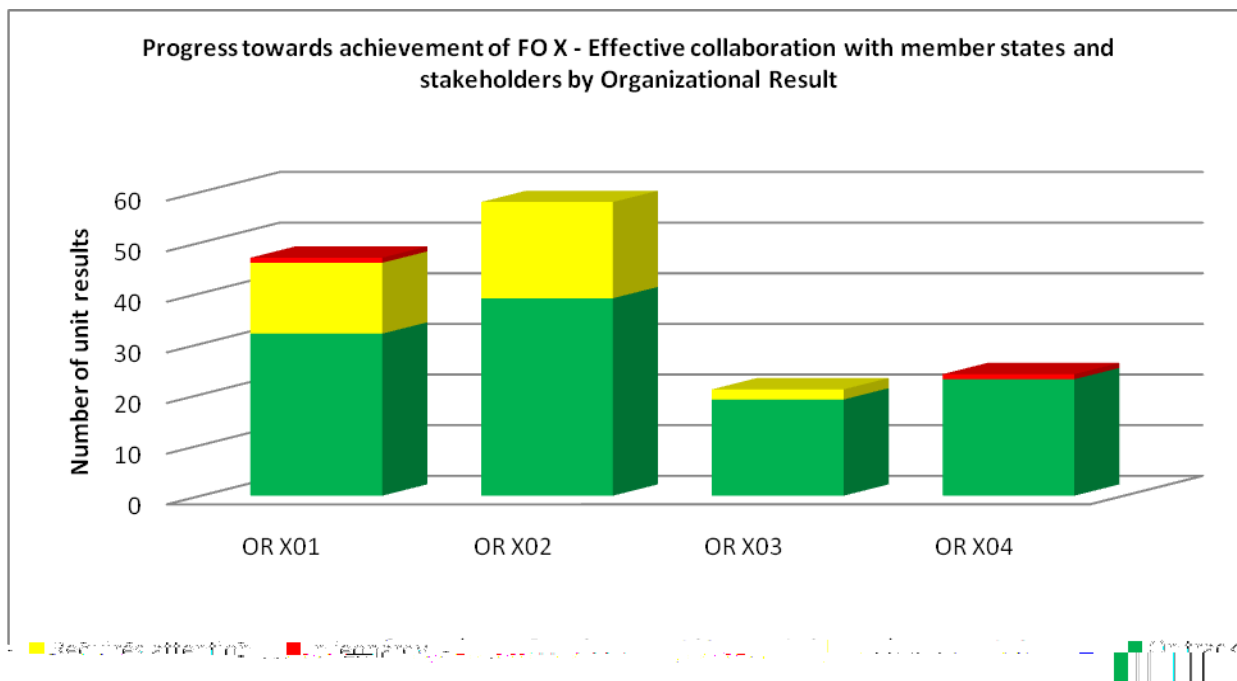
164. A renewed international focus on food security issues has lifted FAO's assistance to IFI investment in 2010 to a record of USD 5.6 billion, through 65 approved projects. FAO also has directly supported to the development five approved GAFSP projects in Bangladesh Ethiopia, Mongolia, Sierra Leone, Togo totaling USD 203 million and provided indirect support to the other three successful GAFSP bids (Haiti, Rwanda and Niger). The NPFS program has continued to grow with support in Chad, Colombia, Djibouti and Syria. The design and delivery of emergency responses for 2010 will exceed USD 500 million, well above the USD 350 million targeted in the PWB. The GEF program is also running ahead of target with two PIFs and five MSPs/FSPs approved, two collaborative projects/agreements approved, five training sessions conducted and six major contributions to GEF documents.

165. Concerning Public-Private Partnership best practice development, work in Asia, Africa and Latin America is on track to exceed the number of target countries. The land tenure and administration investment program is on target with support provided to seven countries in Africa (1), Asia (2) and Europe (4). Subregional offices in RAF, REU and RLC all report significant progress towards the attainment of their SOL OR3 targets, while SFS delivery is at risk due to delayed investment officer recruitment resulting from an insufficient pool of qualified applicants.

X - Effective collaboration with member states and stakeholders

Overview

166. At the end of the first year, progress towards the achievement of the four organizational results are on track.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

X01 - Effective programmes addressing Members' priority needs developed, resourced, monitored and reported at global, regional and national levels

On Track 167. The new results based management system was put in place for programme planning, monitoring and reporting, and related training tools and initiatives are progressively being introduced. Following the Evaluation on Country Programming (CP), CP tools are being developed in an integrated manner by different units under the umbrella of FOX1. These include new guidelines on the Country Programming Framework (CPF) and Country Office Work Planning (COWP). The COWP pilot process, initiated in India, will continue through the first half of 2011. Guidance and tools for resource mobilization for decentralized and headquarters units are under development together with related communications strategies. Development of a new Field Programme Manual is underway with a first draft on the first three phases of the Project Cycle is ready for consultations. Due to temporary staffing issues which are being addressed, work on the remaining two phases is progressing more slowly than planned. This is not expected to significantly affect the overall progress towards the achievement of the organizational result.

168. Field Programme Management Information System (FPMIS) functionality has been enhanced to support the strategic planning and work planning processes, including the COWP, and to monitor contributions of EB projects to the Strategic Framework. As part of the decentralization process, staff in regional offices (ROs), subregional offices (SROs) and country offices were brought under the supervision of the ADG/RRs who also took leadership for the programming and budgeting process in their regions, including preparation of the Regional Conferences. Policy advice was provided at headquarters and in the regions, though some delays were experienced. Support to Country Programming Frameworks formulation by ROs/SROs has continued together with Project/ Programme Monitoring and implementation.

X02 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results

On Track

169. The Corporate Strategy on Capacity Development was presented to the FAO Programme Committee in October, 2010, and will be re-submitted in March 2011 along with a detailed implementation plan. In the meantime the Secretariat has begun preparatory work on key action items involving FAO headquarters and decentralized units to set the stage for implementation. For knowledge sharing, the Ask-FAO, Best Practices, Knowledge Networks and Country Profiles portals have been enhanced, and an SO-B Intranet, accessible to country, decentralized office and headquarters staff was launched, allowing input and sharing of information on the Livestock Sector Strategy. This may provide a potential model for the other Strategic Objectives. Coordination of statistical work within FAO has improved with a new cross-divisional working group and the launch of joint activities. The “One billion hungry” advocacy campaign was successful in collecting more than three million signatures, and development of communications and advocacy strategies and related initiatives are underway in four regions (RAF, RAP, RLC, RNE). A pilot FAO Policy Network was initiated to strengthen the link between FAO's global and decentralized policy work on agricultural investments. An organization-wide IT Strategy and Governance proposal has been formulated, global integrated technology environment enhanced and over 80 information systems rolled out using common technical architecture. Legal assistance was provided in 37 countries under 24 field projects. To promote inter-disciplinarity and innovation, seven proposals were approved for funding in 2010 by the Deputy Director-General (Knowledge) under the Multi-Disciplinary Fund, while 21 proposals were approved for funding by the Deputy Director-General (Operations) under the Innovation Fund.

X03 - Key partnerships and alliances that leverage and complement the work of FAO and partners

On Track

170. The Organization-wide Strategy on Partnerships was approved and the guiding principles disseminated. A partnerships Website is available online. The assessment of collaboration among the Rome-based agencies was undertaken and will continue during 2011. A strategy on collaboration within the UN system is under development which will address collaborative activities at global, regional and country levels. The finalization and implementation of strategies on partnerships with civil society and the private sector are proceeding. The number of National Alliances under the framework of the Alliance Against Hunger and Malnutrition (AAHM) has increased from 34 to 40 countries with additional countries expressing interest. Contributions were made to policy dialogue and advocacy on subject matters related to development issues and food security within the EU Parliament, Commission, and Council. Under the UNDAF for Samoa, draft terms of reference for a study on partnerships between the UN and Council of Regional Organizations in the Pacific (CROP) agencies was developed by Samoa country office. Cooperation with UN Country Teams in the SEU sub-region was strengthened with particular emphasis on countries in the Western Balkans and in countries such as Belarus where traditionally FAO support has been limited. An analysis of the civil society participation in different FAO initiatives was undertaken in RLC region. This analysis has informed the renewed regional strategy to assure effective participation of civil society in FAO's work, and the preparation of a training programme for civil society organizations which could be implemented in the second quarter of 2011.

X04 - Effective direction of the organization through enhanced governance and oversight

On Track

171. The Office of the Inspector General began implementing a Risk-Based Audit Plan covering major risks and provided advice and support to senior management in key reform initiatives and business processes such as Enterprise Risk Management; the Director-General endorsed the Whistleblower Protection Policy. Related to Ethics, training and briefings were provided at headquarters, RAF, LOWA and LONY, as well as to 22 Assistant FAORs. The Office of Evaluation provided senior management and Members accountability guidance and lessons learned on the relevance, efficiency and effectiveness of FAO work. The Legal Office continued to provide in-house legal services but experienced difficulties in the delivery of timely legal

advice due to an increased demand resulting from requirements for greater scrutiny, transparency and accountability of the Organization. This has created a structural problem that Management will take steps to address in the PWB 2012-13. An increased workload in support of meetings and language services was accommodated by re-organizing work and introducing innovative approaches, including IT developments, for some recurrent tasks. The five Regional Conferences (RC) adopted recommendations on issues for regional policy coherence and perspectives on global policy issues and regulation, and reviewed and advised on the FAO programmes as they affect the regions.

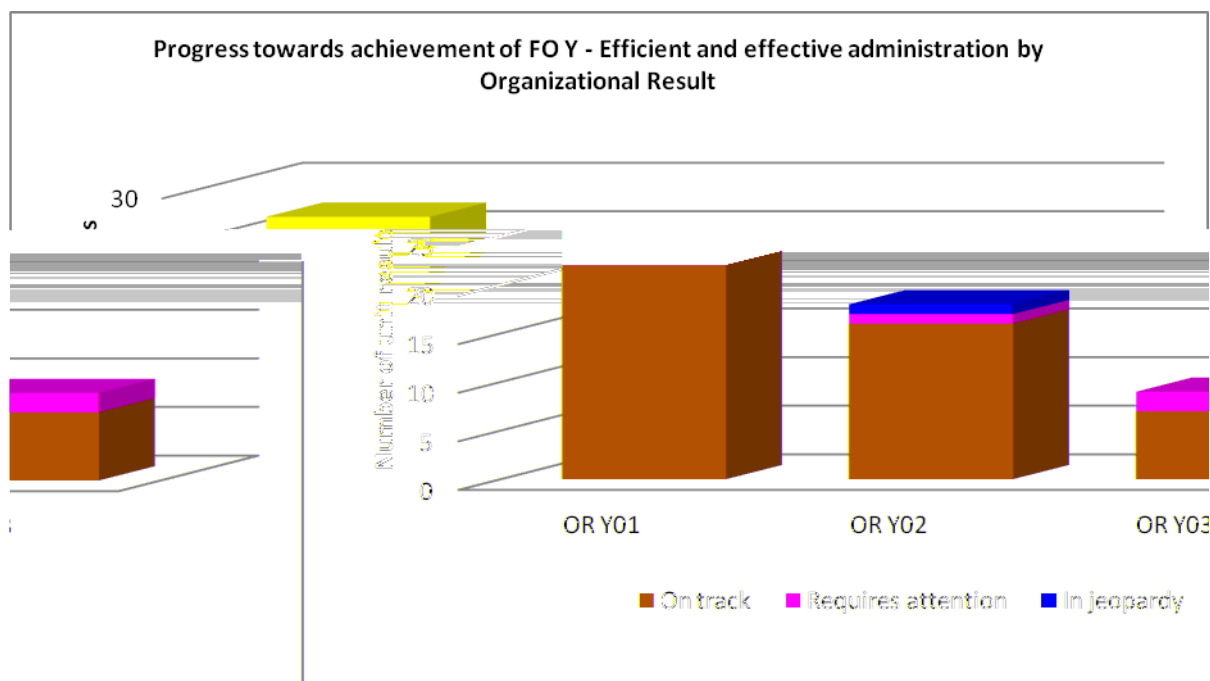
Y - Efficient and effective administration

Overview

172. At the end of the first year, progress towards the achievement of the three organizational results is on track.

173. New ways of working and increased collaboration – within and between departments and decentralized offices, as well as with other Rome-based agencies – are factors that are contributing to the successful achievement of FO Y results. One element that impacts several areas of achievement is a delay in the Corporate Services (CS) client survey. This was planned for 2010 and some baseline data for FO Y indicators depends on its outcome. A decision was made to take a sequential approach to both the FAO employee survey and the CS client survey, in order to learn from experience from the employee survey, while capitalizing on synergies and reducing "survey overload". The CS client survey will now therefore be run in the second half of 2011.

174. A general factor across FO Y unit results is the sheer quantity of change initiatives taking place across the Organization, and their complex inter-relationships. Efforts continue to prioritize and coordinate action, focusing on the achievement of concrete results.



Organizational results: Major achievements, key success factors, lessons learnt and required actions

Y01 - FAO's support services are recognised as client-oriented, effective, efficient and well-managed

On Track

175. The Corporate Services Divisions have started to introduce Service Level Agreements (SLAs) and Operational Level Agreements (OLAs), to monitor and track their performance in delivering services globally against targets. A standardized format for SLAs was developed, an inventory of the services that will be covered by SLAs/OLAs was completed, and annual work plans were formulated, against which results will be reported. As this represents a significantly new way of working for the department, continuous monitoring and ongoing revisions will be necessary in order to improve the formulation of the SLAs and gradually broaden their scope, and the use of related measurement tools and systems. The Business Improvement Unit is now operational and is looking at ways to improve cross-functional working and the delivery of major productivity increases and savings. Initial work has included a streamlining of the medical certification process, which has resulted in a reduction in potential liability to the Organization. One CS unit and three subregional offices reported some delays in progress toward achieving their Y01 Unit Results, the main impediment being lack of baseline information that will come from the client survey. On the whole, decentralized offices made significant progress in improving the overall management of administration, streamlining administrative procedures, and the organization of frequent administrative team meetings.

Y02 - FAO is recognised as provider of comprehensive, accurate, and relevant management information

On Track

176. Progress towards the achievement of Y02 during 2010 included improvements within the CS Department in internal control, financial reporting and provision of budget monitoring information to decentralized offices and project accounting and reporting support to meet the needs of governing bodies. Improvements were also made in reports to donors and senior management. The successful piloting of the new Human Resources Management Information Reporting System provided senior management and staff with access to accurate workforce information and statistics on a self-service basis. Good progress was also made in the development of a Procurement Business Intelligence (BI) system aimed at extending access to procurement data to all relevant staff across the Organization based on their responsibilities and roles. Decentralized offices contributing to this organizational result reported satisfactory progress in their ability to generate accurate information in a timely manner and provide comprehensive and relevant management information. Use of the corporate systems in these locations continued to improve with the installation of new computer equipment and training in the use of the corporate systems. However, some locations reported delays in organizing structured refresher training in the use of the corporate systems, which they have rescheduled for 2011.

Y03 - FAO is recognised as an employer that implements best practices in performance - and people-management, is committed to the development of its staff, and capitalises on the diversity of its workforce

On Track

177. A comprehensive strategy for the management of human resources in FAO was developed, aligning the major human resources initiatives with FOY. The new Performance Evaluation Management System (PEMS) was successfully introduced during the year, and virtually all staff across the Organization have been trained on PEMS, and have completed the three stages of the 2010 PEMS cycle. Significant steps were taken to develop the skills and capabilities of FAO's managers. A range of courses was delivered within the Management Leadership Curriculum and the second Management and Effectiveness Forum was attended by approximately 350 participants, with the entire event Web-streamed. The current focus is on developing learning programmes for non-managerial Professional and General Service staff, in both technical and 'softer' skills areas such as communication and team-work. Another major priority for 2010 has been ensuring alignment between corporate strategic objectives and workforce capabilities.

Internship and Junior Professional Programmes were implemented during the year to support efforts to rejuvenate the workforce by attracting younger professionals into FAO, particularly from non- and under-represented developing countries. Interim voluntary mobility guidelines have been introduced, to encourage the functional and geographic movement of staff. However, uptake is disappointing and work continues on defining final guidelines.. Good progress has been made to improve gender representation both at the D-level (which reached 18% at the end of 2010, up from 15% two years earlier) and at the professional level (which reached 36%, up from 33%).

178. A database of institutions was launched to ensure wider publication of vacancies to candidates in non- and under-represented countries. FAO Departments/Offices were supported in implementing new organizational models and designing new job roles as a consequence of restructuring and de-layering. Together, these initiatives underpin the ongoing process of HR Reform and the transformation of the division from a primarily transactional, service-delivery model to that of a strategic, specialist business partner.

Annex I: Annual Report on Budgetary Performance 2010-11 and Budgetary Transfers in the 2010-11 Biennium

Executive Summary

- At its Session in October 2010, the Finance Committee endorsed the forecasted Chapter distributions of the 2010-11 budgetary appropriation of USD 1,000.5 million arising from initiatives and measures to achieve USD 22.8 million in further efficiency gains and one-time savings, as well as adjustments arising from preparation of biennial work plans. The Committee took note that the forecasted budgetary transfers arising from implementation of the Programme of Work would be reported to the Committee for review and approval in March 2011.
- The Finance Committee is requested to take note of forecasted biennial performance against the net appropriation of USD 1,000.5 million approved by the Conference. Full expenditure of the 2010-11 net appropriation in Chapters 1 through 14 (the Strategic and Functional Objectives and FAORs) is foreseen. In line with the current practice, any unspent balances in the Technical Cooperation Programme (*Chapter 15*), Capital Expenditure (*Chapter 17*) and Security Expenditure (*Chapter 18*) will be transferred to the forthcoming biennium.
- Based on forecasted performance against the 2010-11 net appropriation and, in accordance with Financial Regulation 4.5(b), the Committee is requested to authorize forecasted transfers from budgetary *Chapters 1, 2, 3, 5, 7, 13 and 14* in favour of *Chapters 4, 6, 8, 9, 10, 11 and 12*.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Committee is requested to authorize the forecasted budgetary chapter transfers arising from implementation of the 2010-11 Programme of Work as shown in column (g) of the table.

DRAFT ADVICE

- The Committee authorized the forecasted budgetary Chapter transfers from budgetary *Chapters 1, 2, 3, 5, 7, 13 and 14* in favour of *Chapters 4, 6, 8, 9, 10, 11 and 12* and looked forward to an updated report at its October 2011 session.

Introduction

1. Conference Resolution 3/2009 approved the 2010-11 budgetary appropriation of USD 1,000.5 million, including an amount of USD 22.8 million for unidentified efficiency gains and one-time savings. The Conference requested the Director-General to report to the Finance Committee ongoing adjustments to the Programme of Work for unidentified further efficiency gains and one-time savings which were not reflected in the chapter structure at that time.
2. Financial Regulation (FR) 4.1 authorizes the Director-General to incur obligations up to the budgetary appropriation voted by the Conference. In accordance with FR 4.6, the Director-General manages the appropriations so as to ensure that adequate funds are available to meet expenditures during the biennium. The FR 4.5 (a) calls for the Finance Committee to be notified of certain transfers between divisions and FR 4.5 (b) requires transfers from one chapter to another to be approved by the Finance Committee.
3. The Finance Committee reviewed the actions taken by the Secretariat to achieve the further efficiency gains and one-time savings at its Sessions in April and October 2010. At its October 2010

Session, the Committee endorsed the forecasted chapter distributions of the 2010-11 budgetary appropriation of USD 1,000.5 million arising from initiatives and measures to achieve USD 22.8 million in further efficiency gains and one-time savings, as well as adjustments arising from the preparation of biennial work plans. The Committee took note that the forecasted budgetary transfers arising from implementation of the Programme of Work would be reported to the Committee for review and approval in March 2011.

4. This report presents the 2010-11 adjusted net appropriation by chapter and provides, for the Committee's approval, the forecasted budgetary transfers arising from the implementation of the 2010-11 Programme of Work.

2010-11 Forecasted Budgetary Performance

2010-11 adjusted net appropriation

5. The 2010-11 net appropriation figures presented in the table below, columns (d) and (e) show the adjusted chapter distributions for efficiency gains and one-time savings that have been reviewed and endorsed by the Finance Committee. The distributions also include a technical adjustment for the transition from standard rates for staff costs in all decentralized offices from duty station-based rates to regional standard rates on a no-gain no-loss basis, as reported to the Finance Committee at its October 2010 session⁷. This adjustment, which has no programmatic impact, was done to facilitate actual staff cost monitoring at the regional level and will continue to be the methodology used in 2012-13. The adjusted net appropriation is also reflected in the PWB 2012-13 where tabular comparison data with 2010-11 is presented.

Chapter transfers

6. The forecasted budgetary performance arising from implementation of the Programme of Work, equivalent to the forecasted expenditure against the adjusted net appropriation, is shown in the table , column (f).

7. A brief explanation of the proposed resource shifts between chapters arising from biennial work planning carried out during 2010 is provided in the section *Overview by Chapter* below. Most of the shifts are the result of the repositioning of planned activities under more appropriate Objectives or Organizational Results, based on the experience of work planning under the results-based model, including peer reviews, as reported to the Finance Committee at its October 2010 session. One additional element that is impacting budgetary performance at this stage is higher than budgeted reimbursements for support costs mainly from emergency projects. Despite sophisticated forecasting techniques, the exact distribution and amount of these reimbursements is difficult to predict.

2010-11 Forecasted budgetary performance

Chapter (a)	Strategic and Functional Objective (b)	CR 3/2009 (c)	Efficiency gains, one-time savings and other adjustments (d)	2010-11 Net Appropriation (after adjustments) (e)	Forecast expenditure (f)	Forecasted balance vs Net Appropriation (g)
1	A - Sustainable Intensification of Crop Production	50,370	-1,189	49,181	47,242	1,939
2	B - Increased sustainable livestock production	32,566	-929	31,637	29,436	2,201
3	C - Sustainable management and use of fisheries and aquaculture resources	57,090	-1,464	55,626	55,379	247
4	D - Improved quality and safety of food at all stages of	25,337	-892	24,445	24,765	-320

⁷ FC 135/6 Annex II para 15

Chapter (a)	Strategic and Functional Objective (b)	CR 3/2009 (c)	Efficiency gains, one-time savings and other adjustments (d)	2010-11 Net Appropriation (after adjustments) (e)	Forecast expenditure (f)	Forecasted balance vs Net Appropriation (g)
	the food chain					
5	E - Sustainable management of forests and trees	43,569	-1,515	42,054	41,688	366
6	F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	54,645	-1,453	53,192	55,775	-2,583
7	G - Enabling environment for markets to improve livelihoods and rural development	41,612	-734	40,878	38,483	2,395
8	H - Improved food security and better nutrition	60,509	-2,055	58,454	59,937	-1,483
9	I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7,848	-537	7,311	8,533	-1,222
10	K - Gender equity in access to resources, goods, services and decision-making in the rural areas	10,284	-446	9,838	10,969	-1,131
11	L - Increased and more effective public and private investment in agriculture and rural development	38,643	-2,072	36,571	42,919	-6,348
12	X - Effective collaboration with member states and stakeholders	225,457	-4,777	220,680	221,073	-393
13	Y - Efficient and effective administration	122,914	-4,332	118,582	113,959	4,623
14	FAO Representatives	88,204	90	88,294	86,586	1,708
15	Technical Cooperation Programme	111,694	0	111,694	111,694	0
16	Contingencies	600	0	600	0	600
17	Capital Expenditure	27,118	-315	26,803	26,803	0
18	Security Expenditure	24,866	-180	24,686	24,686	0
	Efficiency Gains/One-time Savings	-22,800	22,800	0	0	0
Total		1,000,526	0	1,000,526	999,926	600

8. Forecasted expenditure for the biennium foresees full utilization of the budgetary appropriation in Chapters 1 through 14 (the Strategic and Functional Objectives and FAORs). In line with the current practice, any unspent balances in the Technical Cooperation Programme (*Chapter 15*), Capital Expenditure (*Chapter 17*) and Security Expenditure (*Chapter 18*) will be transferred to the forthcoming biennium. The Secretariat requests the Committee's endorsement of the

tentative budgetary chapter transfers proposed in order to carry out the planned work of the Organization during the remainder of the biennium. Transfers are requested into *Chapters 4, 6, 8, 9, 10, 11, and 12* from *Chapters 1, 2, 3, 5, 7, 13 and 14*.

9. It is recalled that 2010-11 is the first biennium in which reporting is taking place against 18 chapters rather than the previous eight. While this level of disaggregation at chapter level provides a clear and comprehensive view of budgets and expenditures against the results framework, it increases the likelihood of final chapter transfers being at variance with those currently requested. For example, as can be seen in the table above, the transfers related to *Chapters 3, 4, 5, and 12* are minimal and in the final performance could be opposite of the transfer currently requested.

10. Furthermore, while full expenditure of the net appropriation of USD 1,000.5 million is currently foreseen, it is recalled that budgetary reporting at the end of the biennium is based on the US Dollar/Euro exchange rate established in the PWB 2010-11 of Euro 1 = USD 1.385 (the budget rate). The Secretariat is monitoring the situation carefully, but some variations by chapter may occur if the final average percentage of expenditure in Euro differs significantly from the assumptions in the forecasts.

11. An updated report on forecasted budgetary chapter transfers will be provided to the Finance Committee at its session in October 2011.

Overview by chapter

12. Variances for forecasted expenditure by chapter against the adjusted net appropriation are mainly arising from biennial work planning, as explained further below. The requested chapter transfers will offset the forecasted under- and over-expenditure in each chapter.

- *Chapter 1 - SO-A Sustainable intensification of crop production* – **forecasted under-expenditure**: activities for the Independent Science and Partnership Council (ISPC) programme, originally budgeted under SOs A, B, C, E and H, having been consolidated under SO-F. Furthermore, the provision for technical assistance in the design and implementation of crop production components of national and regional strategies and programmes for food security was moved under SO-H, reflecting the integrated approach applied to the provision of technical support for the design and implementation of the overall national and regional strategies and programmes for food security. Food chain crisis activities related to crops were shifted to SO-I, offset by a shift of resources from SO-D to realign work in partnership with the Joint FAO/IAEA Division.
- *Chapter 2 - SO-B Increased sustainable livestock production* – **forecasted under-expenditure**: a more interdisciplinary approach to work on livestock has been reflected, with its contribution to sustainable management of natural resources and emergencies reallocated under SO-F and SO-I, respectively. Work related to safety of food of animal origin was also reprogrammed more appropriately under SO-D. Activities related to the ISPC programme have been shifted to SO-F. The provision of technical assistance for the implementation of the livestock components of national and regional strategies and programmes for food security has been shifted to SO-H to reflect the integrated approach.
- *Chapter 3 - SO-C Sustainable management and use of fisheries and aquaculture* – **no major shifts**.
- *Chapter 4 - SO-D Improved quality and safety of food at all stages of the food chain* – **no major shifts**.
- *Chapter 5 - SO-E Sustainable management of forests and trees* – **no major shifts**.
- *Chapter 6 - SO-F Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture* – **forecasted over-expenditure**: the work and outputs of the ISPC programme have been consolidated in several agricultural sectors, including coalitions with the CGIAR, the Global Forum on Agricultural Research, and the Global Forum on Rural Advisory Services. Activities from

SO-H were shifted to better reflect the contribution of the work on information standards, methods and tools on food security, agriculture and nutrition to the overall improvement of the access to, and sharing of, knowledge for natural resource management.

- *Chapter 7 - SO-G Enabling environment for markets to improve livelihoods and rural Development - forecasted under-expenditure:* work in support of small producers related to national-level capacity building for investment in agriculture with emphasis on agro-industries and rural infrastructure was transferred to SO-L, and activities related to maintaining quality and reducing loss issues in post-production value chains was transferred to SO-D. The Near East region shifted activities from SO-G towards SO-H and SO-L, reflecting greater multidisciplinary in promoting rural development through a regional approach, which will consider factors such as globalization, climate change and market issues, in line with member country agreements reached at the ministerial commission of the AMU. Some rural development work more directly related to gender was also reprogrammed from SO-G to SO-K.
- *Chapter 8 - SO-H Improved food security and better nutrition - forecasted over-expenditure:* work has shifted from SO-A, SO-B and SO-G related to an integrated approach to food security. The increase is partially offset by a shift of activities to SO-F for ISPC and to SO-L as noted below.
- *Chapter 9 - SO-I Improved preparedness for, and effective response to, food and agricultural threats and emergencies- forecasted over-expenditure:* the critical contribution to this strategic objective made by the Organization's work on livestock (SO-B) has been reflected and the identification and reprogramming of the food chain crisis activities from SO-A to SO-I.
- *Chapter 10 - SO-K Gender equity in access to resources, goods, services and decision making in the rural areas- forecasted over-expenditure:* a reprogramming of the work relating to SOFA 2010 (Women in Agriculture) and gender-related rural development from SO-G is reflected.
- *Chapter 11 - SO-L Increased and more effective public and private investment in agriculture and rural development- forecasted over-expenditure:* a clearer focus is reflected on national investment capacity in the Organization's work in agro-industries and rural infrastructure, and a prioritization of work addressing private and public investment flows in western Africa through the National Agricultural Investment Programmes. Activities related to SOFA 2011 on Investment in Agriculture were also shifted into SO-L. Finally, the South-South Cooperation programme's direct role in mobilizing capacity building support for implementing investment projects (within national and regional food security programmes and strategies) and monitoring their implementation has been duly reflected, and the corresponding activities shifted from SO-H.
- *Chapter 12 - FO-X Effective collaboration with Member States and stakeholders – no major shifts.*
- *Chapter 13 - FO-Y Efficient and effective administration - forecasted under-expenditure:* due to an effort to streamline administrative processes in the regions and to higher than budgeted support cost income credited to the chapter.
- *Chapter 14 - FAOR Programme - forecasted under-expenditure:* mainly due to higher than budgeted support cost income credited to the chapter.