



FAO Reform: Looking forward



IN 2007, the Independent External Evaluation (IEE) stated that FAO was needed as much as when it was established in 1945, but it should be renewed to meet emerging 21st Century challenges.

The FAO reform that we have successfully brought to an anticipated conclusion fulfills one of the five pillars that I said would orient my work as Director-General.

This booklet reviews this process and its results, complementing the Final Management Report on Immediate Plan of Action Implementation and the FAO Reform Process.

I want to thank all those that have been involved in this effort, especially FAO Members that have led this process, the teams involved in the preparations of the reports, and FAO staff for their professionalism and hard work in implementing the IPA programme.

In particular, I want to thank Mohammad Saeid Noori Naeini for the role he played first as Independent Chairperson of FAO Council (2006-2009), and Chairperson of the CoC-IEE¹ (2007-2009), and most recently as my special adviser since January 2012.

The FAO reform was a necessary first step to making the Organization relevant again. With the transformational changes that I started in 2012 we are now taking this further.

In the spirit of the IEE, we are improving the way we work, tackling issues in a crosscutting manner, and constantly identifying and adopting ways to deliver best value for money.

These changes are no longer stand-alone projects. They represent a new mindset, a change in culture that is being mainstreamed into the Organization.

And as a knowledge institution, I affirm to you that FAO will not stop transforming itself in order to respond to different challenges, adapt to new situations, and that FAO will never stop learning.

These, I believe, are essential conditions for FAO to continue to make a significant contribution to a hunger-free and sustainable world.

José Graziano da Silva

FAO Director-General

¹ Conference Committee on Follow-up to the Independent External Evaluation

AT ITS 127TH SESSION in November 2004, the FAO Council agreed to launch an Independent External Evaluation (IEE) to strengthen and improve FAO.

This was not only the first evaluation of the Organization as a whole in the history of FAO, but it was also *the largest and most ambitious evaluation ever attempted of a global intergovernmental organization to date*.

The terms of reference instructed the evaluation... *to chart the way forward, to better meet the challenges of the future in an evolving global environment, including newly emerging needs of member countries, and to position FAO, based on its strengths and comparative advantages ... to help to strengthen the sense of unity and purpose among the membership of the Organization, and to make FAO fit for the twenty-first century and the challenges ahead*.

The FAO Conference in November 2005 agreed to initiate the evaluation and established a Council Committee for the Independent Evaluation of FAO (CC-IEE).

The terms of reference for the IEE were comprehensive, dividing evaluation work into four main areas:

- Technical Work;
- Management, Administration and Organization;
- Governance; and
- FAO's Role in the Multilateral System.

The IEE team presented its final report in September 2007.

The report's principal conclusion was stated in three words: "reform with growth". FAO required substantive reforms as well as additional resources, and these needed to move hand-in-hand - neither would be possible without the other.

The IEE was convinced that the world needed FAO and that if the recommendations made in their report were achieved, FAO would be "fit for this century" and would have set a new standard of excellence in multilateral organizations.

The IEE recommended an Immediate Action Plan focused on four areas: rekindling an FAO vision; investing in governance; institutional culture change and reform of administrative and management systems; and restructuring for effectiveness and efficiency in both headquarters and the field.

FAO reform – timeline and key events

Nov 2004 Council decides to launch an independent external evaluation	Nov 2005 Conference agrees to initiate the evaluation		Nov 2007 Conference unanimously welcomes the IEE report	Nov 2008 Conference unanimously approves the Immediate Plan of Action (IPA)	Dec 2009 50% of the original 236 IPA actions completed		Jan 2012 New Direction for FAO reform based on acceleration, focus on benefits and main- streaming	Dec 2012 The end of IPA implemen- tation. Production of Final Management report on IPA Implemen- tation and the FAO reform	
2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	Inter- Sessional Working Group	Independent External Evaluation of FAO		Committee for IEE follow-up (CoC-IEE)	Early days of FAO reform		The main effort to implement FAO reform	Acceleration, closure and mainstream- ing	

The Immediate Plan of Action

The **FAO Conference in November 2007** unanimously welcomed the IEE report and established a Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE) to be chaired by the Independent Chairperson of Council, and open to full participation by all Members.

The CoC-IEE was charged to review the IEE report and its recommendations and develop an Immediate Plan of Action (IPA) for their implementation. The Extraordinary Session of Conference in November 2008 unanimously approved the IPA which contained a set of 236 defined actions for implementation.

Its actions covered three main areas: Priorities and Programmes of the Organization (eight actions); Governance Reform (101 actions); and Reform of Systems, Programming and Budgeting, Culture Change and Organizational Restructuring (118 actions).

A Root and Branch review of FAO administrative functions was undertaken by an external agency, and its final report was produced in April 2009. Its recommendations were incorporated into the IPA programme in 2009, creating an Integrated IPA Programme of 274 actions.

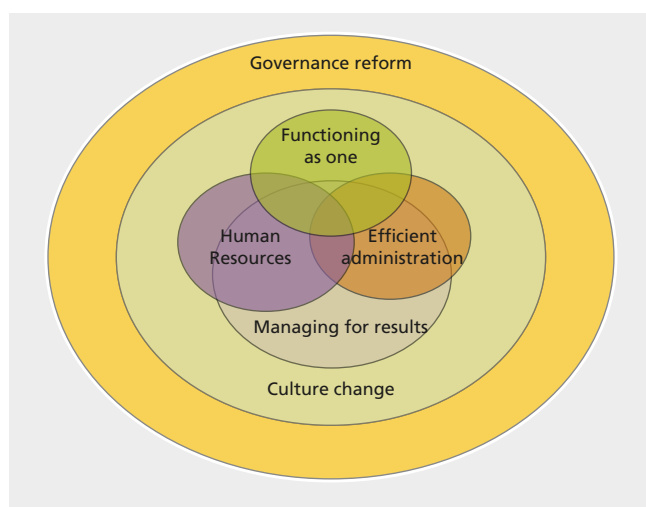
Reporting progress to members on 274 different IPA actions represented a considerable challenge for management and the reform was divided into six themes for the purpose of clear reporting to Members:

- Transform FAO into an Organization that manages for results
- Changes to Human Resources policies and practices to enable managing for results
- “Functioning as one” for improved delivery. This included improved teamwork and collaboration between headquarters and decentralized offices, between Members and Management, and between FAO and its partners.
- Improved efficiency and effectiveness of FAO’s administration, in particular to address issues highlighted by the Root and Branch review.
- Reform of organizational culture following from the IEE’s observation that FAO had a *“heavy bureaucracy that creates and reinforces a rigid, risk averse and centralized organizational culture, with weak horizontal communication”*.
- Fundamental changes to FAO governance, recognized by the IEE as vital for overall reform of the Organization.

These six themes provided a framework within which FAO Management organized the 274 actions and reported progress to member countries.

In addressing individual actions, Management adopted a “quick win” approach in 2009 to address the easiest and least complex actions. By December 2009, 118 IPA actions had been completed. Following this approach, a total of 218 IPA actions were completed by December 2011. This left 56 actions – including the most complex changes – to be completed from 2012 onwards.

FAO reform themes



Acceleration, closure and mainstreaming

In January 2012, the Director-General José Graziano da Silva acted upon the commitment made during his campaign to bring the FAO reform to a successful and anticipated completion. In addition, the new Director-General shifted the focus of the reform process to realization of its benefits and mainstreaming the reform into the work of the Organization.

During the course of 2012, Management addressed the challenging components of the IPA and reform process, and by December 2012, 92% (252) IPA actions had been completed. Of the 22 open actions, only 7 had substantial activity remaining.

In April 2013, the FAO Council reviewed the Final Management Report on IPA implementation and the FAO reform process

It considered that funds made available for the purpose of IPA implementation had been spent effectively and efficiently.

It expressed appreciation for the many actions successfully implemented and recognized the benefits associated with IPA implementation, especially the impact on culture change. It looked forward to continued internalization and mainstreaming of these benefits and adoption of a culture of continuous improvement.

The Final Management Report on Immediate Plan of Action Implementation and the FAO Reform Process presented for endorsement to the 38th FAO Conference outlined the incorporation of the remaining IPA actions into the regular work of the Organization, as well as details the timing, responsibilities and reporting.

The net budget for IPA implementation in the period 2009 – 2013 from voluntary and assessed contributions was of USD 91.09 million.

This represents a major investment by FAO members in reform of the Organization. As noted by the then FAO Director-General Elect in his speech to the 143rd Session of the FAO Council in December 2011, this amount was three times larger than the cash-for-work component of the FAO response to the famine situation in Somalia.

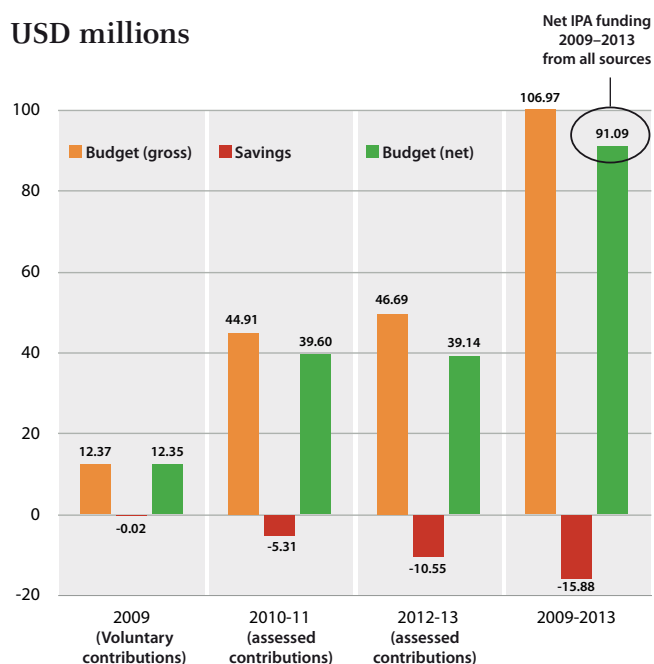
The impact of this investment is seen in the resulting benefits, following the approach introduced in 2012. More than 300 individual benefits identified as resulting from FAO reform are described in full in the Annex to The Final Management Report on Immediate Plan of Action Implementation and the FAO Reform Process.

In this booklet it is not possible to cover these in detail, but the graphics on the following pages highlight examples of benefits.

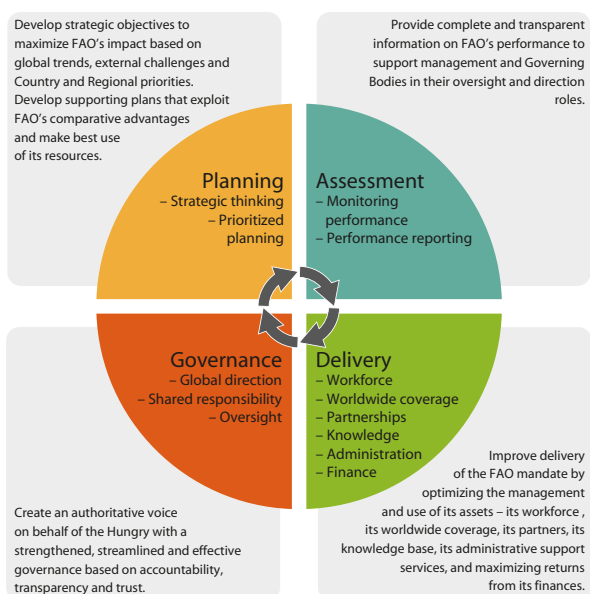
Benefits can best be understood by a comparison of the “before” and “after” situation. The graphics illustrate examples of the “before” situation in terms of statements made by the IEE at the time of the review and what the IPA instructed should be undertaken. The “after” situation is described in terms of the achievements that were made, and the associated benefits.

IPA financials 2009 - 2013

USD millions



IPA Benefits Framework





In particular, the Medium Term Plan 2014-17 and the Programme of Work and Budget 2014-15 follow the spirit of the IEE. It is based on a Strategic Framework reviewed within the evolving global context, and proposes a results-based programme of work with crosscutting strategic objectives and tangible results to be achieved.

I do believe that the most valuable outcome of the FAO renewal process is the trust created as a result of two years of continuous sincere and frank dialogue among representatives of FAO member states (CoC-IEE), however this trust is still in its infancy and needs to be transformed in to a new culture through continued dialogue and transparency.

Mohammad Saeid Noori Naeini
*Independent Chairperson of FAO Council
 (2006-2009), Chairperson CoC-IEE (2007-2009),
 Special advisor to the FAO Director-General
 (2012-2013)*

As Vice-Chair I considered that the FAO Reforms could serve as an inspiring example for the whole UN that changes in worldwide organisations can be done. In a process of intensive deliberations Representatives of 192 Member States in Rome were able to build trust and consensus aiming at culture change, more efficiency and effectiveness and better governance to get FAO fit for the challenges of the 21st century. So, who is next?

Agnes van Ardenne-van der Hoeven
*2007 – 2011 Vice-Chairperson of the Committee
 on Follow-up to the Independent External
 Evaluation (CoC-IEE)*

The FAO Reform was necessary for the organization to be able to occupy its rightful position in the 21st Century, more so the process enhanced member nations common vision, trust and dedicated ownership of FAO.

Wilfred Ngirwa
*2007 – 2011 Vice-Chairperson of the Committee
 on Follow-up to the Independent External
 Evaluation (CoC-IEE)*

Looking forward

The reform process has brought to light a number of valuable lessons to be considered in the future of FAO.

We have learnt that effective direction setting and long-term strategies are best agreed upon by participatory discussion, based on sincere and open dialogue.

We have learnt the value of flexibility and that in an organization with over 190 Members, finding “one size fits all” solutions to problems is not possible, because the best solution to a problem in one location or in one stage of development might be a straightjacket in another setting.

We have learnt that the best solution is often to be found by choosing the best available alternative for each particular case and that flexibility at all levels of priority setting, planning and implementation is a key factor of success.

We have seen the great contribution of Member State Representatives in building a better FAO.

We have learnt the importance of differentiating between leadership and management, with Governing Bodies providing clear direction at a macro level to be then implemented by the Director-General, who is accountable to the Governing Bodies.

However, we also know that this is just a first step into making FAO relevant again, and that our achievements are still in its infancy.

We need to nurture them and make them an integral part of our Organization so that they can bear all their fruits.

Transformational change is doing just that by institutional strengthening of the Organization at Headquarters and the field, so that FAO truly becomes a knowledge Organization with its feet on the ground; by constantly pursuing greater efficiency and best value for money; and by sharpening the focus of its work around a small set of crosscutting objectives that clearly show what the Organization expects to achieve and how it will do that, making the best use of its comparative advantages and core functions and working with partners within and outside of the UN System.

This transformational change is made possible by the renewed trust among Members and Secretariat and it helps to strengthen this trust. This is allowing the Organization to take a bold agenda forward, an agenda that seeks the eradication of hunger, food insecurity and malnutrition.

