



## **Multilateral Organisation Performance Assessment Network MOPAN**

### **ORGANISATIONAL EFFECTIVENESS ASSESSMENT OF THE FOOD AND AGRICULTURE ORGANIZATION**

#### **Management Response: Food and Agriculture Organization of the United Nations**

The Food and Agriculture Organization (FAO) of the United Nations appreciates the Organisational Effectiveness Assessment undertaken by the Multilateral Organisation Performance Assessment Network (MOPAN). MOPAN assessments are widely regarded as valuable learning tools for governments and international organizations. The report on FAO is no exception.

FAO Management takes good note of the report's main findings and conclusions and recognizes their value in terms of the feedback they provide on the perceptions of the surveyed stakeholders and a review of documents. It is encouraging that FAO was rated in the survey as adequate to strong on 19 out of 21 key performance indicators and that the document review upgraded the ratings on six key performance indicators, with high scores in five areas: (i) providing direction for results; (ii) focus on thematic priorities; (iii) financial accountability; (iv) delegating decision making; and (v) adherence to humanitarian principles.

The strong appreciation of FAO's work in emergencies and the mainstreaming of sustainable management of natural resources, good governance and human rights-based approaches (Right to Food) in its programming and recognition of FAO's improved approaches at country level are also pleasing. Management is particularly pleased to note that the Organization is highly valued by its direct partners (at the country level) who often rated it as "strong" in the four key performance areas assessed by MOPAN. That FAO was less known by in-country donor representatives than other respondent groups will encourage the Organization to improve communication with its existing and potential resource partners, an area where Management recognizes scope for change and improvement. For example, the demand-driven technical and policy assistance that FAO provides to governments and International Financing Institutions, such as the World Bank, to help programme their investments in agriculture – amounting to over USD 3 billion annually – is neither visible nor widely known.

#### **Building on MOPAN findings**

The Organization is more than half way through a wide-ranging reform process driven by an Immediate Plan of Action (IPA) for the renewal of FAO. MOPAN's core messages, namely that FAO has improved considerably in recent years and must move forward with the completion of the IPA,

resonates fully with the Organization's own assessment and the views of its Member governments. The Director-General is committed to bringing the reform process to a successful conclusion, achieving the intended reform benefits and transforming FAO into an Organization that is constantly introducing better ways of working so that it is better positioned to address the real problems faced by one billion hungry people.

Reforms are building a more streamlined, efficient and effective Organization that is focused on results, thinking strategically and translating its normative expertise into concrete results and impacts on the lives of the poor and hungry people around the world. In short, the reform is making sure that *FAO is a knowledge organization with its feet set firmly on the ground*. The scale of the global hunger challenge and the continuing financial crisis strengthen the Organization's commitment to ensuring ever-greater value for money for all of its Members.

Particular emphasis is being placed in 2012 on making sure that FAO's capacities and expertise are nearer and more accessible to Member governments and where hunger needs are greatest, that is to say, at the country, subregional and regional levels. This is being achieved through increasing decentralization throughout the Organization and will improve FAO's impact in terms of eradicating hunger, fostering food security, raising resilience and cutting poverty at the country level.

A wide range of measures are being put in place throughout 2012 to increase efficiency savings and streamline processes and procedures. These will raise value for money across the Organization and heighten operational responsiveness and flexibility.

### **Managing for Results**

The overarching objective of FAO reform is to transform the Organization into one that manages for results. This requires successful completion of two elements: clear articulation of FAO Members' objectives and, within this context, the design and delivery of measurable results with clear impact on beneficiaries. To this end, FAO's work under all sources of funds is now being systematically planned, implemented, measured and monitored using a Results-based Management framework and principles, including a strategy to mobilize, allocate and manage resources from partners for agreed priorities. This new framework addresses many of the issues raised by MOPAN on linking aid management to performance and presenting performance information. FAO Management recognizes, however, that while work is ongoing to fully implement the planning, prioritization and resource mobilization process, many benefits will materialize only after the results-based framework has been in place for the four-year period (2010-13) of the Organization's current Medium Term Plan, allowing for monitoring and reporting on the agreed upon indicators of achievement.

A new staff Performance Evaluation Management System (PEMS) has been adopted, which will address issues raised by some MOPAN survey respondents on the Organization's management of staff performance. The introduction of PEMS across the Organization serves the purpose of linking staff to Organizational Results and improving accountability and performance across FAO, as it allows managers and staff to account for results and achievement of performance standards defined in the new competency framework. The system also strengthens links between the work plans and performance of individuals and overall FAO Organizational Results, and fosters a better understanding of managers and their staff of the relevance of individual contributions to the work of the Organization. In short, the new performance management system and the new results-based

management framework help ensure a direct “line of sight” between the Organization’s strategic objectives, results (at country, regional and global levels) and the individual performance of staff.

A new corporate Resource Mobilization and Management Strategy (RMMS) has also been developed, which will address the need raised by MOPAN for more clarity on FAO’s criteria for allocating resources. The RMMS sets out how FAO aims to mobilize resources from its partners, how it allocates these resources to agreed priorities and how it manages and reports on their use. The strategy focuses on forging resource partnerships built on trust and mutual accountability to achieve FAO Members’ goals. It is based on the need to secure resources to support FAO’s overall Strategic Framework and Medium Term Plan, and ensure their sound financial management and delivery as part of the integrated (assessed and voluntary contributions) biennial Programmes of Work and Budget.

FAO’s renewal agenda also includes improvements in strategic focus and coherence at country level, centred on a new suite of Country Programming tools and related resources. Guidelines and training have been developed that enable the Organization to better respond to the priority food security and agriculture needs of each country, in a manner that mobilizes and optimizes the use of operational capacities and the knowledge and technical expertise of FAO, irrespective of location. It is leading to strategic planning of all FAO products and services at all locations that support achievement of expected country-level results. The country programming process will increase the results orientation and visibility of FAO’s work at the country level across the Organization and with MOPAN and other resource partners. FAO is committed to ensuring that all countries in which it works have a Country Programme Framework (CPF) by the end of 2012. As noted by the MOPAN assessment, roll out of the CPF will help to address the gaps identified in linking results at the project, programme, sector and country levels.

## **Human Resources**

The IPA involves a comprehensive suite of human resources related reforms and improvements, including the new Performance Evaluation Management System. Further human resources reforms and adjustments are now being considered as part of the continuing process of decentralization, including for example, strengthening country leadership. The key benefit of these reforms is to ensure an enabled, effective and motivated workforce better able to deliver FAO’s mandate at the country, regional and global levels.

## **Conclusions**

FAO Management appreciates the strong recognition that the MOPAN assessment has given to the progress that has been achieved in renewing FAO. The Director-General has committed to accelerating the pace of reform and successfully completing the actions that still need to be completed, in particular to deepen decentralization, delegate greater authority and raise transparency and accountability in the Organization. The Organization is confident that the IPA programme will be fully and successfully implemented, and that the reforms will make significant improvements in all areas of work within its scope, including those identified in the MOPAN review.

Continuing strong demand for assistance from FAO Members and USD 2.5 billion in voluntary contributions from 2009-11, including from MOPAN Members, indicate that the Organization is highly valued, particularly where it is a global leader. The MOPAN review reaffirms FAO Management’s

commitment to the process of accelerated reform and demonstrates to FAO Management, Members and MOPAN partners alike, that the Organization is moving in the right direction. Consider the trends affecting longer term agriculture: almost one billion hungry people, persistent price volatility, climate change, increasing frequency and severity of disasters, and the challenge of feeding nine billion people by 2050. The need for a strong and effective Food and Agriculture Organization has never been greater.

Rome

December 2011