



Food and Agriculture
Organization of the
United Nations

The Director-General's
**Medium Term Plan
2014-17 (reviewed)**
and
**Programme of
Work and Budget
2016-17**

C 2015/3

Thirty-ninth Session of
the Conference

6 – 13 June 2015

The Director-General's
Medium Term Plan
2014-17 (Reviewed)

and

Programme of
Work and Budget
2016-17

Food and Agriculture
Organization of the
United Nations

Rome 2015

The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations (FAO) concerning the legal or development status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

All rights reserved. FAO encourages the use, reproduction and dissemination of material in this information product. Except where otherwise indicated, material may be copied, downloaded and printed for private study, research and teaching purposes, or for use in non-commercial products or services, provided that appropriate acknowledgement of FAO as the source and copyright holder is given and that FAO's endorsement of users' views, products or services is not implied in any way.

All requests for translation and adaptation rights, and for resale and other commercial use rights should be made via www.fao.org/contact-us/licence-request or addressed to copyright@fao.org

FAO information products are available on the FAO website (www.fao.org/publications) and can be purchased through publications-sales@fao.org

© FAO 2015

Table of Contents

Director-General's Foreword

Scope of the document

Medium Term Plan 2014-17 (Reviewed)

| | |
|--|----|
| A. Recent trends and developments | 1 |
| B. Review of FAO's Results Framework | 5 |
| C. Monitoring Framework | 16 |

Programme of Work and Budget 2016-17

| | |
|---|-----------|
| A. Main Features..... | 19 |
| B. Improved delivery | 26 |
| C. Financial and budgetary dimensions | 33 |
| <i>Anticipated cost increases.....</i> | <i>33</i> |
| <i>Elements for improving FAO's financial health, liquidity and reserves.....</i> | <i>37</i> |
| <i>Summary requirements</i> | <i>40</i> |
| <i>Draft Resolution for Adoption by the Conference.....</i> | <i>43</i> |
| D. Results frameworks and 2016-17 resource allocations..... | 45 |
| <i>Strategic Objective 1: Contribute to the eradication of hunger, food insecurity and malnutrition.....</i> | <i>45</i> |
| <i>Strategic Objective 2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner</i> | <i>48</i> |
| <i>Strategic Objective 3: Reduce rural poverty.....</i> | <i>54</i> |
| <i>Strategic Objective 4: Enable more inclusive and efficient agricultural and food systems.....</i> | <i>58</i> |
| <i>Strategic Objective 5: Increase the resilience of livelihoods to threats and crises</i> | <i>62</i> |
| <i>Objective 6: Technical quality, knowledge and services</i> | <i>66</i> |
| <i>Chapter 7: Technical Cooperation Programme</i> | <i>72</i> |
| <i>Functional Objective 8: Outreach</i> | <i>74</i> |
| <i>Functional Objective 9: Information technology.....</i> | <i>77</i> |
| <i>Functional Objective 10: FAO governance, oversight and direction.....</i> | <i>79</i> |
| <i>Functional Objective 11: Efficient and effective administration</i> | <i>82</i> |
| <i>Chapter 13: Capital Expenditure.....</i> | <i>85</i> |
| <i>Chapter 14: Security Expenditure.....</i> | <i>87</i> |
| <i>Contingencies.....</i> | <i>89</i> |
| <i>Transfer to Tax Equalization Fund.....</i> | <i>89</i> |
| <i>Regional dimensions</i> | <i>90</i> |

Annexes

| | |
|---|------------|
| <i>Annex I: 2016-17 Budget Proposal by Strategic/Functional Objective and Organizational Outcome</i> | <i>98</i> |
| <i>Annex II: 2016-17 Budget Proposal by Strategic/Functional Objective and Region</i> | <i>101</i> |
| <i>Annex III: 2016-17 Budget Proposal by Strategic/Functional Objective and Department/Office.....</i> | <i>102</i> |
| <i>Annex IV: 2016-17 Budget Proposal by Organizational Unit</i> | <i>105</i> |
| <i>Annex V: Post Counts by Grade Group and Organizational Unit.....</i> | <i>110</i> |
| <i>Annex VI: Organigramme</i> | <i>114</i> |
| <i>Annex VII: 2016-17 Net Appropriation by Organizational Outcome before and after cost increases</i> | <i>116</i> |
| <i>Annex VIII: List of Scheduled Sessions (Web Annex)</i> | |
| <i>List of Acronyms</i> | <i>118</i> |

Director-General's Foreword

Upon taking office in January 2012, I introduced a transformation agenda that built on previous FAO reform to better enable the Organization to serve its Members and contribute decisively to national, regional and global action to promote food security, nutrition and sustainable development.

Three years later, we begin to see concrete results, as well as material changes in the way we work.

We have elevated our global goal from reducing to eliminating hunger, food insecurity and malnutrition. To reach this goal, we sharpened the focus of our activities, adopted a transversal way of working to bring to countries the full expertise available at FAO and its external networks. We are using our reviewed Strategic Framework to bring our Regular Programme and extrabudgetary projects closer together, to bridge the gap between emergency and development work, and to guide our partnerships within and outside the UN system, joining forces with other agencies, regional organizations and non-state actors to achieve better results. This is culture change.

We have put FAO at the service of country- and region-led initiatives such as in Africa and Latin America and the Caribbean. We are responding to national and regional needs by strengthening our presence in the field, tailoring our skills-mix to specific needs, without weakening our global technical capacity. Our on-the-ground work uses our technical expertise, and we learn from what we see in the field to inform our global activities. This is being a knowledge organization with its feet on the ground.

Conscious of the financial restrictions many countries face, we identified and achieved an unprecedented USD 108.2 million in savings, significantly increased our efficiency, integrated our administrative work through technological solutions such as the Global Resource Management System and pursued cost-reducing joint initiatives with the United Nations Rome-based agencies. This is delivering best value for money.

As the Mid-Term Review of the 2014-15 Programme of Work and Budget shows, over 80% of our output indicators are on track to

achieve the results we want and we have exceeded expectations in over half of them.

We have done a lot together, but there still remains a lot ahead of us.

To prepare FAO to respond to today's and tomorrow's challenges, we looked deep into our past and went back to the idea that motivated the creation of FAO 70 years ago. Our strategic objectives respond to the vision of our founding members, but we are looking forward. The progress we are making and the results we are obtaining are part of a continuing exercise to enhance delivery and increase efficiency. As a knowledge organization, we are constantly learning from doing and adapting our work to changing contexts and emerging challenges to respond to our founders' vision.

While transformation is the idea that best describes the period since 2012, the next biennium needs to be marked by consolidation of our efforts, maintaining flexibility to adjust our programmes and ways of working to improve our products, services and assistance.

As you will read in the reviewed Medium Term Plan 2014-17 and Programme of Work and Budget 2016-17, the elements put in place in our Strategic Framework remain relevant and are the bedrock on which we will develop our future work. We are confident that the proposal that we are putting forth is a step forward in the support we offer countries to address their development challenges in the context of the Post-2015 development agenda.

FAO's technical work supports sustainable development and we are contributing to the discussions of the Sustainable Development Goals, which will be an important guide within the broader continuum of the global sustainable development process. As this must be a joint effort, we are working closely with other actors and assisting the establishment of partnerships such as the Global Agenda for Sustainable Livestock, the Global Blue Growth Initiative, and the Global Soil Partnership, to name but a few.

The 2016-17 Programme of Work and Budget consolidates existing action within our MTP; it adds emphasis in certain areas, mainly nutrition and climate change, and a more customized approach to higher middle-income countries that have different needs from

developing countries and, at the same time, are playing an increasingly relevant role in international cooperation.

The Second International Conference on Nutrition co-hosted by FAO in 2014 clearly highlighted the importance of nutrition, alongside food security, for a sustainable, healthy and productive future for all. Raising levels of nutrition is one the tasks set for FAO in 1945 and it is time we enhance the support we offer countries on this issue. As such, we are creating a new Outcome for nutrition under Objective 6 and mainstreaming nutrition work as a cross-cutting theme in our Strategic Objectives.

In the last PWB, we clearly stated the importance of sustainability within our Strategic Objective 2; now, it is important to increase efforts for climate change adaptation, especially for Small Island Developing States.

Among other areas that will receive additional emphasis is social protection, including work related to women and youth employment, and migration.

We will also work to establish liaison offices to boost resource mobilization and South-South Cooperation and continue to reinforce our decentralized offices, while adhering to the principle of maintaining a critical mass of technical capacity at headquarters. We will give a special focus on improving statistics to support evidence-based policy making and assist efforts to contain and prevent transboundary animal diseases, plant pests and food safety hazards.

In the context of our overall commitment to delivering best value for money, we will be able to implement almost the entirety of the proposed 2016-17 Programme of Work within the current budget level. Specific actions that will permit this include our continued streamlining efforts, the realization of benefits from previous investments in information technologies, and the identification of areas of de-emphasis and realignment of work.

These efforts will allow approximately USD 14 million to be reinvested in higher-priority areas, including those already mentioned. Accordingly, the areas of programmatic priority for 2016-17 such as nutrition and

climate change will be fully funded by reallocation of resources within the PWB.

Implementing the proposed 2016-17 Programme of Work requires a budget of USD 1.046.1 million. This includes cost increases over the current budget level of USD 34.3 million, two thirds of which relate to staff cost increases linked to decisions under the purview of the United Nations General Assembly and/or the International Civil Service Commission, falling outside the authority of FAO.

The 2016-17 PWB proposal also encompasses a modest 0.6 percent increase for programmes, the equivalent of USD 6.1 million that will be used exclusively to strengthen the Technical Cooperation Programme in support to Small Island Developing States. The increase will also raise the funding of the TCP to 14 percent of the Regular Programme budget, first requested by member countries 26 years ago at the 1989 FAO Conference and reiterated an additional four times since then.

FAO exists to serve its Members, to help them raise the levels of food security and nutrition of their peoples, improve the efficiencies of production and distribution of all food and agricultural products, better the lives of the rural population and contribute to an expanding world economy and ensuring humanity's freedom from hunger. This is what the Preamble of our Constitution says and what this Programme of Work and Budget proposes to deliver.

The changes introduced over the last three years with consensual support by its member countries represent for FAO a quantum leap of focus and efficiency. It is now imperative to capitalize on the results achieved thus far, and nourish the momentum towards our shared goals of a sustainable world free from hunger and malnutrition.

FAO has the vision, the staff, the networks, the partnerships and, most importantly, your trust to give a decisive contribution to your food security, nutrition and sustainable development goals. We now ask for the matching budget needed to fulfil this promise.

José Graziano da Silva
Director-General

Scope of the document

This document presents the Director-General's review of the Medium Term Plan (MTP) 2014-17 and proposed Programme of Work and Budget (PWB) 2016-17 for consideration and approval by the Conference.

Medium Term Plan 2014-17 (Reviewed)

The MTP 2014-17 was approved by the FAO Conference in June 2013. It sets out Strategic Objectives (SOs) and Outcomes for achievement by Members and the international community with support from FAO, in accordance with the Strategic Framework.

In line with the established programme planning cycle, the MTP is reviewed after the first year of implementation under its four-year timeframe, taking account of *recent trends and developments*, guidance provided by the governing bodies during 2014, and experience with the *results-based planning and monitoring frameworks*. The review confirms the results frameworks and identifies the main policy thrusts for the next biennium.

Programme of Work and Budget 2016-17

The PWB 2016-17 presents the results frameworks established and reviewed in accordance with the MTP and a quantification of costs and resource requirements from assessed and voluntary contributions to fund the Programme of Work.

The *Main Features* proposes areas of programmatic, emphasis, de-emphasis and realignment in line with the main policy thrusts for the biennium and the related resource reallocations, and an overview of the budgetary chapter allocations and sources of funding for the Programme of Work.

Elements for *Improved Delivery* are presented in relation to implementation arrangements put in place by the Director-General, proposed enhancements to the organizational structure and allocation of posts, and efforts to identify efficiencies and saving.

The *Financial and Budgetary Dimension* presents the requirements to fully fund the Programme of Work, including anticipated cost increases, and also sets out requirements to provide for long-term liabilities and reserve funds. A draft Conference Resolution is presented for approval of the biennial Programme of Work and the Budgetary Appropriations funded from assessed contributions.

The *Results Frameworks and 2016-17 Resource Allocations* provides, for the 14 budgetary chapters (five Strategic Objectives, Objective 6, four Functional Objectives, four Special Chapters), the areas of focus and enhanced delivery at the Outcome level, with indicators, targets and resource allocations.

Details of the budget proposal are provided in eight annexes.

The document is posted on the FAO Web site at www.fao.org/pwb.

MEDIUM TERM PLAN 2014-17
(Reviewed)

Introduction

1. The Medium Term Plan (MTP) sets out Strategic Objectives (SOs) and Outcomes for achievement by Members and the international community with support from FAO, in accordance with the Strategic Framework, as measured through performance indicators and targets. The MTP covers a period of four years and is reviewed each biennium. It provides the programmatic basis for preparing the two-year Programme of Work and Budget with results frameworks and quantification of costs.¹

2. The MTP 2014-17 was approved by the FAO Conference in June 2013. This first review of the MTP, carried out at the end of the first year of work under its four-year timeframe, covers:

A) recent trends and developments in the external environment; B) review of FAO's results framework, in particular the policy thrusts for the second biennium of the planning period, that is 2016-17; and C) the monitoring framework that has been developed for measuring and reporting results.

A. Recent trends and developments

The Strategic Thinking Process 2012-13

3. The Strategic Thinking Process during 2012-13 that led to the reviewed Strategic Framework 2010-19 was guided by 11 global trends with direct implications on the areas of FAO's mandate, as follows:

- 1) rising food demand and changing patterns of consumption
- 2) growing competition and diminishing quality and quantity of natural resources and ecosystem services lingering food insecurity
- 3) energy security and scarcity
- 4) food price increases and volatility
- 5) changing agrarian structures, agro-industrialization and globalization of food production
- 6) rural poverty: evolution and emerging problems
- 7) changing patterns in agricultural trade and evolution of trade policies
- 8) growing impact of climate change on agriculture
- 9) science and technology as a main source of agricultural productivity
- 10) increasing recognition of the centrality of governance and a commitment to country-led development processes
- 11) increased vulnerability to natural and human-made disasters

4. On the basis of an analysis of these global trends, carried out through an internal and external consultation process, seven development challenges were identified, and within FAO's mandate, those that appear to have special significance and urgency for FAO's member countries were selected.

5. FAO's five Strategic Objectives were developed taking into account the major global trends, the seven main development challenges, along with FAO's basic attributes, core functions and comparative advantages. They served as the basis for developing the reviewed Strategic Framework 2010-19² and the Medium Term Plan 2014-17³ with Action Plans and a results framework, which were endorsed by the FAO Conference in June 2013.

¹ Conference Resolution 10/2009 in Basic Texts Part II.F

² C 2013/7

³ C 2013/3

Trends and developments during 2014

6. The global trends and challenges underlying the Strategic Framework remain valid at the end of 2014. However, some trends have shown to be more persistent than others with wider implications, along with some emerging issues and new global policy developments and thrusts that directly affect the food, agriculture, fisheries and forestry sectors in the medium- and long-term and which will influence in various ways the implementation of FAO's Strategic Objectives going forward.

7. These recent developments and trends were discussed in the Regional Conferences, Technical Committees and the Committee on World Food Security (CFS) held in 2014. At its 116th session in November 2014, the Programme Committee took note of these developments and trends and agreed with the technical priorities under the Strategic Objectives.

8. A preliminary analysis of the recent developments and trends based on the discussions held in the various Technical Committees and other governing body meetings reveals five themes that are expected to shape the global policy environment within FAO's mandate. A synopsis is presented below.

Post-2015 development agenda

9. In July 2014, the UN Open Working Group (OWG) on Sustainable Development Goals (SDGs) released its proposal for a set of SDGs endorsed by the General Assembly at its 68th session.⁴ The document contains 17 goals and 169 targets. FAO's comprehensive vision of food security, nutrition, resilient and sustainable agriculture and the sustainable use of natural resources is reflected throughout the document, particularly under proposed goals 2, 14 and 15. Furthermore, proposed goal 17 on means of implementation and global partnership is closely related to FAO's work.

10. The UN Secretary General has released a Synthesis Report on 4 December 2014 entitled *The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet*.⁵ The Report is meant to provide a basis for the negotiations on the Post-2015 development agenda that will begin in early 2015 under the co-facilitation of Kenya and Ireland. The Secretary-General's Report provides a synthesis of the post-2015 process and provides several recommendations including, *inter alia*, elements for ensuring the consolidation of a universal, transformative and ambitious Post-2015 development agenda, key issues needed to mobilize the necessary Means of Implementation, including financial needs, technology, scientific knowledge, as well as partnerships to enable sustainable development, key elements of a monitoring and accountability structure at national, regional, and global levels, as well as key recommendations for the UN system to support both the finalization and implementation of the new development framework.

11. The Sustainable Development Goals, after their endorsement in September 2015, will be the guiding framework against which the countries will set their development priorities. As part of the CEB discussion on how to support the implementation of the Post-2015 agenda, each of the UN agencies have been asked to report on their priorities regarding Sustainable Development Goals within their own strategic planning to show how they can contribute to the advancement of the SDGs.

Climate change

12. The 5th Assessment report of the Intergovernmental Panel on Climate Change in November 2014 has signalled an alarm for the international community to speed up mitigation and adaptation efforts. Following the UN Summit on Climate Change in September, in December 2014, countries have come together in Lima, Peru to negotiate actions on climate change. The future will see more concerted action toward mitigation of and adaptation to climate change, starting with the UN Climate Change Conference to be held in Paris in December 2015, which will seek to achieve a legally binding and universal agreement on climate, from all the nations of the world.

13. Agriculture's role on adaptation to and mitigation of climate change has gained prominence in recent years and FAO has been involved closely in the 5th IPCC report, as well as participating in

⁴ A/68/970 Report of the Open Working Group of the General Assembly on Sustainable Development Goals

⁵ http://sustainabledevelopment.un.org/content/documents/5527SR_advance%20unedited_final.pdf

international climate change initiatives. Climate change impacts agriculture and people whose livelihoods depend on agriculture through variability in agricultural production, increased scarcity of natural resources and higher incidence of natural disasters such as droughts and floods. In some cases, such as the Small Island Developing States (SIDS), the very existence and viability of some countries may be threatened, due to climate change and sea level rise, coastal erosion and ocean acidification, threatening food security and efforts to eradicate poverty and achieve sustainable development.⁶

14. In the medium-term, active participation and targeted interventions in climate change negotiations will be key in keeping agriculture and food security on the agenda and to ensure political commitment in support of adaptation and mitigation efforts. FAO will continue assisting countries on agricultural practices that strengthen disaster resilience and adaptation to extreme weather, drought and climate-related extreme events, in particular for small-scale farmers. Achieving these changes requires responsible and sustainable approaches to reconcile growth and food security with sustainable management of land, water, aquatic and forest resources, and with biodiversity and ecosystem services. There is need to create an enabling environment for people engaged in these sectors to act not only as resource users, but also as resource stewards. In particular, with reference to small family farmers as high-risk populations affected by climate change, there is a need to consider innovative types of research and extension institutions which place family farmers at the centre of technology development and transfer.

Control and response to transboundary plant and animal pests and diseases

15. Transboundary plant and animal pests and diseases arise from environmental factors, including climate change, trade or other human migrated movement or pathogens. Increased interdependence of food systems is associated with a higher incidence of plant and animal pests and diseases, which are more easily transmitted across borders and have devastating economic impacts on a wide range of actors in these food chains. An outbreak of a transboundary plant pest or animal disease may have serious consequences to a country's socio-economic wellbeing, as well as directly affect the livelihoods of its population. FAO supports countries to prevent, prepare for and respond to transboundary animal and plant pests and diseases and food safety threats.

16. Moreover, these outbreaks may have consequences on human health and food safety at national, regional and global levels. From a global health security perspective, controlling zoonotic diseases and emerging threats at the human-animal-ecosystem interface needs an integrated and multidisciplinary approach that brings different sectors to work closely together to attain the health of people, animals and the environment. This is echoed in the One Health Agenda. FAO, as part of the Tripartite partnership (FAO-WHO-OIE),⁷ has fully integrated this approach in its vision for sustainable livestock development to attain a healthier and more prosperous world. FAO is also working with partners in addressing the complex challenge and growing biological threat of antimicrobial resistance.

Nutrition

17. The Second International Conference on Nutrition (ICN2) jointly organized by FAO and WHO was held in Rome from 19 to 21 November 2014 with over 2 200 participants in attendance. The Conference reflects the renewed global commitment to eradicate malnutrition in all its forms - undernourishment, micronutrient deficiencies and overweight and obesity - which imposes high economic and social costs on countries at all income levels. The social cost of malnutrition, measured by the "disability-adjusted life years" lost to child and maternal malnutrition and to overweight and obesity, are very high. Improving nutrition and reducing these costs requires a multisectoral approach that begins with food and agriculture and includes complementary interventions in public health and education. While the traditional role of agriculture in producing food and generating income is fundamental, it is important that stakeholders throughout the entire food system – from inputs and

⁶See the outcome document of the Third International Conference on Small Island Developing States (SIDS) Conference, held in 1-4 September 2014 at: <http://sids2014.org/index.php?menu=1609>

⁷ World Health Organization (WHO); World Organisation for Animal Health (OIE)

production, through processing, storage, transport and retailing, to consumption – are mobilized and contribute to the eradication of malnutrition.

18. The two outcome documents, the Rome Declaration on Nutrition and the Framework for Action adopted by the ICN2 call for actions to be taken up by FAO including *inter alia* the establishment of an Action for Nutrition Trust Fund to support governments in transforming the ICN2 commitments into concrete actions; continued mainstreaming of nutrition in its implementation of the reviewed Strategic Framework and the development of modalities for joint reporting by FAO and WHO on implementation of the Rome Declaration on Nutrition.

19. The mainstreaming of nutrition in the implementation of FAO's Strategic Framework will provide an effective means for improving the nutrition impact of FAO's work on food security, sustainable agriculture, rural poverty eradication, agriculture and food systems and resilience.

Urbanization, migration and impacts on food systems, food security and nutrition

20. Rapidly increasing urbanization is one of the key challenges for food security and nutrition. About 5 billion people are expected to live in cities by 2030 - about 60 percent of the projected global population. The continuing growth of the urban population and expansion of existing and new cities mean changing consumption patterns with implications on land use and sustainability of supply chains. Urban, peri-urban and rural food systems are increasingly important to food security and nutrition of cities, as well as for environmental services.

21. Migration from the rural areas remains an important challenge to address, particularly due to the migration of youth and adult males of working age, which undermines food security and nutrition in rural areas. Women, children and the elderly are left behind in an environment that lacks adequate opportunities to make a living from smallholder farming or rural employment. Rural youth are the future of the agriculture sector, including in the Southern and Eastern Mediterranean countries. Alternatives are needed to create new opportunities and incentives for the youth to engage in both farm and non-farm rural activities in their own communities and countries. Promoting rural youth employment and agro-entrepreneurship should be at the core of strategies that aim to addressing the root causes of distress of economic and social mobility.

B. Review of FAO's Results Framework

Main components of FAO's results framework

22. The elements of FAO's results framework were approved by the FAO Conference at its 38th session in June 2013.⁸ The Strategic Framework sets out FAO's Vision, the Global Goals, the five Strategic Objectives, a sixth objective on technical quality, knowledge and services, the Core Functions as means of delivery and the Functional Objectives for the enabling environment, as shown in *Figure 1*.

23. The Medium Term Plan (MTP) 2014-17 and the biennial Programme of Work and Budget (PWB) set out outcomes, outputs and measurable indicators of achievement with targets, and the required resources.

⁸ C 2013/7, C 2013/3, C 2013/REP paragraphs 96-110

Figure 1: Main components of FAO's results framework

FAO's vision

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

Three Global Goals of Members:

- eradication of hunger, food insecurity and malnutrition, progressively ensuring a world in which 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; and
- sustainable management and utilization of natural resources, including land, water, air, climate and genetic resources for the benefit of present and future generations.

Strategic Objectives

1. Contribute to the eradication of hunger, food insecurity and malnutrition
2. Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner
3. Reduce rural poverty
4. Enable more inclusive and efficient agricultural and food systems
5. Increase the resilience of livelihoods to threats and crises

Additional Objective

6. Technical quality, knowledge and services

Cross-cutting themes

Gender

Governance

Nutrition (new for 2016-17)

Core Functions

1. Facilitate and support countries in the development and implementation of normative and standard-setting instruments, such as international agreements, codes of conduct, technical standards and others
2. Assemble, analyse, monitor and improve access to data and information, in areas related to FAO's mandate
3. Facilitate, promote and support policy dialogue at global, regional and country levels
4. Advise and support capacity development at country and regional level to prepare, implement, monitor and evaluate evidence-based policies, investments and programmes
5. Advise and support activities that assemble, disseminate and improve the uptake of knowledge, technologies and good practices in the areas of FAO's mandate
6. Facilitate partnerships for food security and nutrition, agriculture and rural development, between governments, development partners, civil society and the private sector
7. Advocate and communicate at national, regional and global levels, in areas of FAO's mandate

Functional Objectives

Outreach

Information Technology

FAO Governance, oversight and direction

Efficient and effective administration

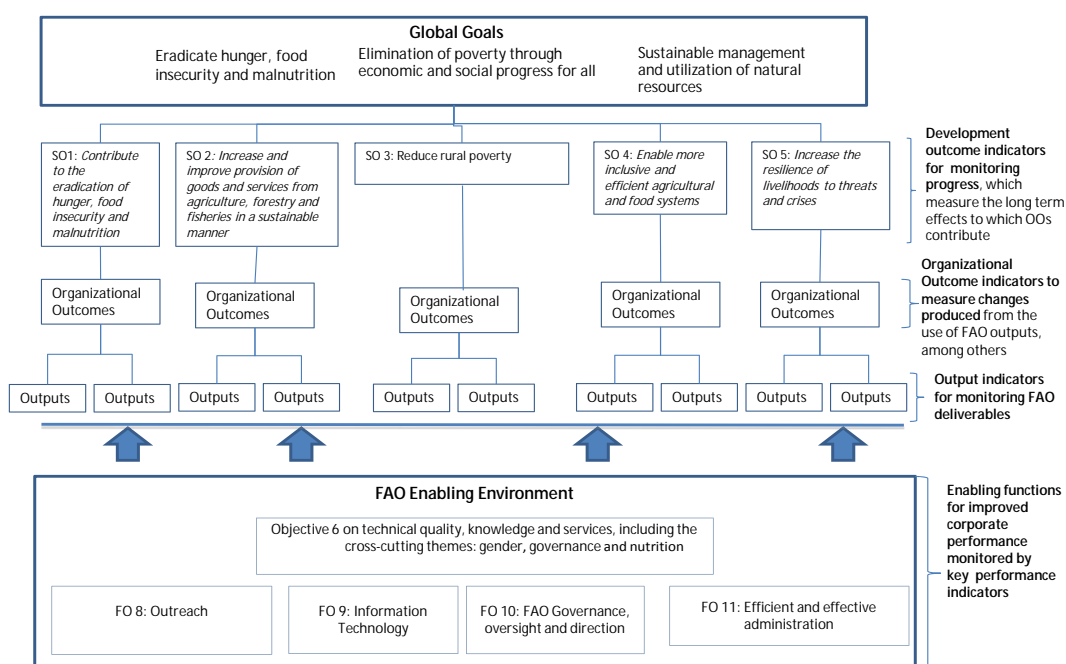
24. FAO's results framework is based on a 'results chain' model which links objectives, outcomes and outputs as illustrated in *Figure 2*. Three levels of results contribute to the *Global Goals of Members*:

- *Strategic Objectives* express the development outcomes in countries, regions and globally. They are expected to be achieved over a long-term (ten-year) timeframe by Members with FAO's contributions.
- *Organizational Outcomes* describe changes in the country, regional or global enabling environment and in capacities available to achieve a specific Strategic Objective.
- *Outputs* are FAO's direct contributions to Organizational Outcomes. They result from the delivery of FAO's interventions at the national, regional and global levels, using both regular and extrabudgetary resources.

25. Achievement of results is facilitated by three additional elements that help to focus and make FAO's work more effective:

- *Cross-cutting themes* are approaches and areas of work that are integrated across the Strategic Objectives.
- *Core Functions* are the critical means of action to be employed by FAO to achieve results.
- *Functional Objectives* provide the enabling environment for FAO's work.
- While the framework has been designed from the top down, that is by the design of outcomes needed to achieve each objective, and outputs to attain each outcome, the links as they relate to delivery of results are planned and implemented from the bottom up.⁹

Figure 2: FAO Results Chain Model



⁹ As described in CL 149/LIM/6

Review of Medium Term Plan

26. As foreseen in the reformed programming, budgeting and result-based monitoring system put in place by the Conference in 2009, the Medium Term Plan 2014-17 was reviewed during 2014, taking into account trends and developments in the external environment and the guidance provided by the Regional Conferences,¹⁰ Technical Committees,¹¹ Programme and Finance Committees and the Council.¹²

27. There has been strong and consistent support expressed by the governing bodies during 2014 for continuity in the strategic direction of the Organization in order to realize the full impact of the reviewed Strategic Framework. The first year of delivery of the results framework, reported in the Mid-Term Review Synthesis Report 2014,¹³ demonstrates that concrete results can be measured at the output level through the current results framework. Results at outcome level will only be measured at the end of 2015. Therefore, the overall results model for 2014-17 remains in place, with two proposed adjustments:

- a) The title of Strategic Objective 4 has been shortened to drop the words "...at local, national and international levels" at the end, to read "*Enable more inclusive and efficient agricultural and food systems*"
- b) Nutrition has been designated as a cross-cutting theme under Objective 6, following on the outcome of the Second International Conference on Nutrition and as encouraged by the Council.¹⁴

28. At the same time, the governing bodies underlined the importance of articulating areas of emphasis and de-emphasis, taking into account priorities arising from the Regional Conferences and Technical Committees.¹⁵ The overview of the Strategic Objectives provided below and the areas of focus for enhanced delivery set out in the PWB 2016-17 (Sections A and D) take into account these priorities as part of the major policy thrusts arising from the recent trends and developments.

29. The Post-2015 development agenda and climate change discussions will require action in terms of political commitment and governance, as well as targeted actions to transfer knowledge and help develop capacity for sustainable management of natural resources, adaptation and resilience (SO1, SO2, SO3 and SO5).

30. Implementation of the Rome Declaration and Framework for Action will require fostering partnership and collaboration with state and non-state actors across sectors to improve the inclusion of nutrition objectives and considerations in national, regional and global policy processes (SO1 and SO4) in particular in relation to sustainable agriculture (SO2), rural poverty (SO3), food and agricultural systems (SO4).

31. Rapid urbanization and migration have implications in the rural space, as well as in urban areas. Work will focus on improving rural livelihoods and employment, preventing distress migration and addressing implications of urbanization on food production, consumption and trade, with particular attention to women and youth (SO3 and SO4).

32. Increasing occurrence and frequency of transboundary animal diseases and plant pests will require FAO to focus on prevention and risk mitigation, as well as delivery of regular information on known and emerging food chain threats for countries to be better prepared and respond adequately to food chain crises (SO5).

33. The results frameworks for each Strategic and Functional Objective, including Outcomes with indicators and targets and Outputs are maintained and provided in PWB 2016-17 Section D. The

¹⁰ As reported in C 2015/14, C 2015/15, C 2015/16, C 2015/17, C 2015/18, C 2015/LIM/1

¹¹ As reported in C 2015/21 COAG, C 2015/22 CCP, C 2015/23 COFI, C 2015/24 COFO

¹² As reported in CL 149/5, CL 149/6, CL 150/5, CL 150/6, CL 149/REP, CL 150/REP

¹³ PC 117/5 – FC 157/7

¹⁴ CL 150/REP paragraph 43c)

¹⁵ CL 150/LIM/6

indicators and targets for the Outputs will be updated at the end of 2015 based on experience and alignment with country programming frameworks.

Overview of Strategic Objectives

34. This section provides a brief overview of the rationale of the five Strategic Objectives and Objective 6, highlighting areas of emphasis. A more detailed description of the areas of focus for enhanced delivery and the result framework for each Strategic Objective is presented in PWB Section D.

Strategic Objective 1: Contribute to the eradication of hunger, food insecurity and malnutrition

35. Over the past two decades, leaders worldwide have made pledges at various high-level events to reduce hunger, food insecurity and malnutrition. Most recently at the ICN2, world leaders renewed their commitment to establish and implement national policies aimed at eradicating malnutrition and transforming food systems to make nutritious diets available to all.

36. Many countries have made good progress on their pledges and are on track against the World Food Summit and Millennium Development Goal hunger targets. Nevertheless, much remains to be done. With less than a year left to the MDGs deadline, 805 million people still suffer from chronic hunger, 161 million children under the age of five years remain chronically malnourished (stunted), over two billion people are affected by micronutrient deficiencies and an estimated 500 million people are obese. In addition, the effects of climate change, globalization, urbanization, migration, natural and human-induced disasters have added complexity to the problems and the solutions.

37. It is against the background of this evolving context that FAO has taken up the UN Secretary General's "Zero Hunger Challenge" and intensified its work with governments and development partners to translate hunger eradication pledges into resources, actions and results. As a global inter-governmental organization, the focus of FAO's contribution is on adding value to the efforts of governments and development partners by helping to create a more enabling policy and institutional environment that provides the right conditions for intensified, more focused and collaborative action by state and non-state actors from different sectors.

38. In doing so, FAO is paying particular attention to ensuring that its work creates increased coherence and impact where it matters most, using the results of its work at global and regional levels as a framework and lever for increased political commitment and intensified action at country level. At global and regional levels, the emphasis is on advocacy and fostering inclusive policy dialogue to increase high-level political commitment, promote a solid and common understanding of issues, facilitate consensus on policy and institutional options, develop global and regional policy frameworks, and share of tools and good practices.

39. The Zero Hunger Challenge, the Sustainable Development Goals and the Rome Declaration on Nutrition and Framework for Action are shaping the new global policy framework that guides FAO's work at country level, where it provides direct support to decision-makers in government and development partners by raising awareness about food security and nutrition issues, creating greater understanding of causes and options for action, developing skills, competencies and know-how, and fostering inclusive and evidence-based dialogue and collaborative action across the broad spectrum of stakeholders.

40. As a result of its work at global, regional and national levels, FAO expects to contribute to three main outcomes of the work under this Strategic Objective:

- 1) Explicit political commitments made for eradication of hunger, food insecurity and malnutrition
- 2) Improved governance and co-ordination mechanisms are adopted by member countries and their development partners
- 3) Improved policies and programmes based on evidence and high-quality, timely and comprehensive food security and nutrition analysis

Strategic Objective 2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner

41. High population growth and increasingly scarce natural resources are the major factors threatening food security, particularly in poor countries that are highly dependent on agriculture (crops, livestock, forestry, fisheries and aquaculture). Competition over natural resources, such as land, water and oceans is intensifying and in many places is leading to the exclusion of traditional users from resources and markets. The increasing movement of people and goods, and changes in production practices, give rise to new threats from pests, diseases and invasive alien species. Climate change reduces the resilience of production systems and contributes to natural resource degradation. The agriculture sector is both a contributor to, and impacted by, climate change. Innovative approaches are needed across the agriculture sector to increase productivity, sustainably manage natural resources, and use inputs sustainably and efficiently. Improved practices and reducing deforestation and land degradation offer significant potential for climate change adaptation and mitigation. Such approaches will require the participation of smallholders, women, indigenous peoples and marginalized groups.

42. FAO's vision for sustainable agriculture sector production systems requires integration across sectors, including crop production, livestock, forestry, aquaculture and fisheries and of social, economic and environmental considerations, with particular focus on: a) increasing resource use efficiency, to achieve higher productivity with reduced levels of inputs, while minimizing negative externalities; b) managing ecological, social and economic risks associated with agricultural sector production systems, including pests, diseases and climate change; c) identifying and enhancing the role of ecosystem services, particularly in terms of their effects on resource use efficiency and response to risks, as well as their contribution to environmental conservation; and d) facilitating access to needed information and technologies.

43. In the next biennium, FAO's work will promote sustainable agricultural production intensification, while preserving or improving the natural resources base and related ecosystem services and goods. More specifically, FAO's work will focus on engaging with countries and supporting multi-sectoral and multi-stakeholder policy dialogues that seek to create an enabling environment supporting a more sustainable agriculture; and identifying and promoting innovative practices, and technologies, in particular those that strengthen adaptation to climate change to achieve the following outcomes:

- 1) Practices that sustainably improve agricultural productivity are adopted
- 2) Governance mechanisms are strengthened to support transition to sustainable agriculture
- 3) International instruments and support related governance mechanisms for sustainable food systems are endorsed and adopted
- 4) Decisions for planning and management are based on evidence

Strategic Objective 3: Reduce rural poverty

44. Poverty is a major cause of food insecurity and malnutrition. Three quarters of the world's poor live in rural areas and most depend on agriculture. Eradication of poverty by 2030 is the first of the global priorities of the Post-2015 Development Agenda and the Sustainable Development Goals (SDGs).

45. Rural poverty has persisted where policies paid insufficient attention to improving agricultural productivity and rural infrastructure; diversifying rural livelihoods; and where rural populations have inadequate access to social services and social protection and producer and other rural organizations and institutions are weak. Failing to improve women's access to productive resources and social services further perpetuates rural poverty. Climate change, other environmental threats and population growth and migration are putting disproportionate pressure on livelihoods in rural areas where poverty is already entrenched and people have the least resilience. Sound

management of natural resources and ecosystems need to go hand-in-hand with efforts to reduce poverty. Therefore, a broad policy approach is needed that seeks to dynamize and diversify the rural economy at large.

46. Many of the rural poor are subsistence producers, family farmers or landless agricultural workers. They include fisherfolk, pastoralists, and forest-dependent peoples with limited access to productive means.

47. Against this background, FAO is helping fight rural poverty by promoting an integrated approach to rural development, which seeks to improve rural livelihoods through interventions aiming at dynamizing and diversifying the rural economy at large. Specifically, FAO's strategic programme on rural poverty reduction aims to achieve three main outcomes:

- 1) Rural poor are empowered through improved access to resources and services
- 2) Improved opportunities to access decent farm and non-farm employment
- 3) Strengthened social protection systems to reduce rural poverty

48. Strengthening rural institutions, local producer and community organizations and the sustainable use and management of natural resources are among FAO's priority areas of action to help reduce inequalities in access to productive resources and social services and gender inequalities in particular. FAO is also working on programmes and policies that promote the generation of decent farm and non-farm employment opportunities. FAO is also providing support to the design of social protection programmes that effectively reduce income insecurity as much as food insecurity among rural populations, while providing stimulus to the rural economy, empowering women, and enhancing the capacity of the rural poor and the most vulnerable to invest in their future and the sustainable use of resources.

49. FAO puts special emphasis on addressing the needs of rural women and youth. This focus is present *inter alia* in the policy support provided to enhance skills and capacities and diversify rural livelihoods in order to generate new and better employment opportunities for rural youth and prevent distress migration. FAO is boosting its work in support of rural women's economic empowerment in the context of the UN Joint Programme (with UN Women, IFAD and WFP).

Strategic Objective 4: Enable more inclusive and efficient agricultural and food systems

50. The agriculture sector is becoming increasingly globalized, concentrated, industrialized and science-intensive. These changes facilitate improvements in the efficiency of food and agricultural systems, but at the same time they may create competitive barriers for small and medium producers and processors, significantly changing livelihoods and employment opportunities in rural areas, and consumers can face increased risks associated with food safety and poor nutrition. Similarly, poorer countries that may be relatively minor players in the global market place can be excluded from new market opportunities and may face increased risks from greater engagement in global markets. At the same time, urbanization has led to new consumption patterns for the majority of the world's population, making the links between production, consumption and trade more complex, and calling for more sophisticated food systems that ensure safe and healthy food. These ongoing changes imply that to ensure global food security, reduction of rural poverty, and sustainable use of natural resources an integral perspective on food systems and supply chains is necessary.

51. As agriculture and agrifood systems become more science and capital-intensive there has been a widening in the already large knowledge gap between industrialized and developing countries. New skills and knowledge are required from producers, processors, managers and workers with huge associated investment into research and development. Outdated, inefficient and sometimes conflicting policies, laws and regulations, together with uncertain government perceptions of public and private sector roles and responsibilities, difficult access to financial services and weak market infrastructure impede the investments necessary to sustainably improve inclusiveness and efficiency in global, regional and national markets.

52. Against this background, FAO seeks to intervene to help address the many challenges, across the value chain that small-scale producers and even economically small countries face. Priority areas of action include improving inclusiveness by helping to develop agribusiness enterprises and supply chains that facilitate the effective and sustainable participation of smallholder producers (farmers, foresters and fisherfolk and their organizations) in rapidly changing global, regional and national markets. FAO also works with countries and decision-makers by facilitating synthesis of analytical information and access to the tools they need in developing evidence-based policies; in developing capacity at the institutional and individual levels; and in helping to fight food losses and waste.

53. Recent trends and developments in urbanization and evolving food systems with greater reliance on trade will frame FAO's work under this Strategic Objective in the coming biennium. Areas of emphasis will be on supporting countries to address the changes in food systems through assistance in formulating multilateral and regional trade agreements, facilitating countries' engagement in the setting of standards, improved capacity to respond appropriately to market shocks and on improving access to markets and services.

54. FAO will enable inclusiveness and efficiency of food and agricultural systems by achieving the following outcomes:

- 1) Efficient and inclusive trade and markets are promoted through international mechanisms, agreements and standards
- 2) More efficient, competitive and inclusive agribusinesses and agrifood chains are developed and implemented
- 3) Policies, financial instruments and investment are developed and implemented.

Strategic Objective 5: Increase the resilience of livelihoods to threats and crises

55. Each year, millions of people who depend on the production, marketing and consumption of crops, livestock, fish, forests and other natural resources are confronted by natural or human-induced disasters, such as: a) natural disasters; b) emergencies in the food chain (e.g. transboundary plant, forest, animal, aquatic and zoonotic pests and diseases, food safety events, radiological and nuclear emergencies, dam failures, industrial pollution, oil spills, and the like); c) socio-economic crises (such as the 2008 global food price crisis and recent financial shocks); d) violent conflicts (civil unrest, regime change, interstate conflicts, civil wars, etc.); and e) protracted crises. The nature, frequency, intensity, combination and duration of disasters and crises influence the type and scale of impacts on different groups and fragile ecosystems. The impacts of people also depend on resilience and capacity to cope, which tends to vary by gender, age, educational and knowledge levels, socio-economic status, culture, institutional capacity and other factors that govern capacity to manage risks and access to resources.

56. The poor in rural and urban areas are disproportionately affected and the inability of families, communities and institutions to anticipate, absorb, accommodate or recover and adapt from crises and disasters in a timely, efficient and sustainable manner is at the crux of FAO's work in this area. Weakness in resilience triggers a downward spiral - household livelihoods and national development gains that have taken years to build are compromised or at times shattered. FAO's work focuses on developing, protecting and restoring sustainable livelihoods so that the integrity of societies that depend on farming, livestock, fish, forests and other natural resources is not threatened by crises. It uses a "twin-track" approach of taking immediate steps to protect and support agriculture, food and nutrition followed by interventions that address the structural factors driving risks, disasters and crises. Enhancing resilience also needs political will, investment, coordination, technical expertise capacities, innovation, and shared responsibility for disaster risk reduction and crisis management by countries, local authorities, communities, civil society, the private sector and the international community.

57. In this biennium, along with work on mainstreaming disaster risk reduction for resilience into agriculture, and implementing the agenda for action for addressing food insecurity in protracted

crises, increased risk and occurrence of transboundary animal diseases, as well as plant pests and diseases, including aquatic and forest pests and diseases will mean additional emphasis to support countries in the fight against these threats. The main result will be to improve capacities of countries to prevent, mitigate risks, deliver regular information on known and emerging food chain threats, and be better prepared and respond adequately to food chain crises to achieve the following outcomes:

- 1) Legal, policy and institutional systems adopted and implemented for risk reduction and crisis management
- 2) Watch to safeguard
- 3) Risk and vulnerability reduced at household level
- 4) Improved preparedness and response to manage crises

Objective 6: Technical quality, knowledge and services

58. Objective 6 ensures quality and integrity of FAO's core technical, normative and standard setting work, including statistics, and the cross-cutting themes on gender, governance and nutrition.

59. As a direct follow-up to the ICN2 and the recommendation of the Council,¹⁶ nutrition has been included as a cross-cutting theme within the reviewed MTP 2014-17. The substantive areas to be covered for nutrition include overall technical leadership for FAO's work on nutrition, policy and operational coordination in the UN system, facilitation of mainstreaming across the Strategic Objectives, as well as technical support to resource mobilization and nutrition communication. The core programmatic activities for improved nutrition and the corresponding resources for nutrition work will remain under the Strategic Objectives.

60. Objective 6 in the reviewed MTP will therefore be structured as follows:

- 1) Technical leadership - covers quality and integrity of the technical and normative work of the Organization. Includes technical leadership and quality control, support to technical committees and corporate technical networks, and the corporate flagship publications.
- 2) Statistics - covers the quality and integrity of the data produced and analysed by the Organization. Includes aspects of standardized methodologies, country statistical capacity data quality and statistical governance and coordination.
- 3) Gender - covers coherence of strategy and approaches, and quality services to work on gender equality and women's empowerment.
- 4) Governance - covers coherence of strategy and approaches, and quality of services related to global governance and coordination of policy and governance across the Strategic Framework.
- 5) Nutrition - covers technical leadership for FAO's work on nutrition, policy and operational coordination in the UN system, facilitation of mainstreaming nutrition across Strategic Objectives, as well as technical support to resource mobilization and nutrition communication, and liaising with UN agencies to compile reports on the implementation of the commitments of the Rome Declaration on Nutrition.

¹⁶ CL 150/REP paragraph 43c)

Core Functions – how FAO delivers

61. Core Functions are the critical means of action employed by FAO to achieve results, as approved in the reviewed Strategic Framework. Consequently, they represent the types of interventions to which the Organization will give priority in its plan of action. They are areas in which FAO is expected to play a lead, but not necessarily exclusive role. In such cases, FAO needs to work with partners and should intensify its efforts to develop and operationalize strategic partnerships.

- 1) *Facilitate and support countries in the development and implementation of normative and standard-setting instruments such as international agreements, codes of conduct, technical standards and others.* This work will be developed at global, regional and national levels through global governance mechanisms, policy dialogue and support and advice, coupled with the development at country level of the necessary policies and institutional capacities for their implementation.
- 2) *Assemble, analyze, monitor and improve access to data and information, in areas related to FAO's mandate.* This includes the development of global and regional trends, perspectives and projections and the associated responses by governments and other stakeholders (e.g. policies, legislation and actions) and direct support to countries in the development of institutional capacities to respond to the identified challenges and possible options.
- 3) *Facilitate, promote and support policy dialogue at global, regional and country levels.* FAO as an intergovernmental organization is especially well positioned to help countries at national and international levels to organize policy dialogue activities directed to improve the understanding on important issues and to the establishment of agreements between stakeholders and/or countries.
- 4) *Advise and support capacity development at country and regional level to prepare, implement, monitor and evaluate evidence-based policies, investments and programmes.* This includes advice and support for activities directed to institutional strengthening, human resources development and direct advice to programme implementation.
- 5) *Advise and support activities that assemble, disseminate and improve the uptake of knowledge, technologies and good practices in the areas of FAO's mandate.* FAO as a knowledge organization needs to be at the forefront of knowledge and technology in all the areas of its mandate and be a source and organizational instrument to support countries in the utilization of available knowledge and technologies for development purposes.
- 6) *Facilitate partnerships for food security and nutrition, agriculture and rural development between governments, development partners, civil society and the private sector.* FAO has a broad mandate that includes major development problems that need to be targeted from a broad and comprehensive perspective. However, FAO will focus its work on the areas in which it has special competence and will establish strong partnerships with other organizations to cover other complementary actions required.
- 7) *Advocate and communicate at national, regional and global levels in areas of FAO's mandate.* FAO has a main responsibility in providing communication and information services in all areas of its mandate to countries and the development community and to strongly advocate on corporate positions in relation to relevant and urgent development issues.

62. The Core Functions ensure that, within the areas of FAO's mandate, countries at all levels of development, particularly the poorest, have access to knowledge, public goods and services they need. This requires FAO to be a global policy setter, facilitator, partner and coordinator, as well as "doer".

63. To perform these tasks, FAO should: a) focus on its technical expertise and knowledge and promote good practices available at country level; b) play a leading role when activities are linked to its mandate; and c) draw upon its networking and partnerships capacity. Furthermore, in some cases FAO will need to strengthen its capacities, both organizational and human resources to be able to fully implement the seven Core Functions and in particular to reaffirm its position as the main global player

in the provision of public goods and policy advice in the areas of food, agriculture, fisheries and forestry.

64. While the Core Functions are the most important instruments on which FAO will organize and develop its work, each of the five Strategic Objectives embodies the development problems where FAO will concentrate its work. Consequently, the organization and focus of FAO's work can be visualized as a matrix of Strategic Objectives and Core Functions so that the work developed under each Strategic Objective will be implemented through the application of the seven Core Functions.

C. Monitoring Framework

65. The FAO results framework for 2014-17 guides the planning and monitoring of the Organization's work. At the core of the framework are the indicators that measure progress at each level of the results chain: Outputs, Organizational Outcomes and Strategic Objectives. This provides the basis for assessing and reporting how FAO's actions contribute to changes at national, regional and global level.

66. The process of monitoring results at the level of Strategic Objectives and Outcomes was progressively developed and described in the MTP 2014-17 and PWB 2014-15¹⁷ in February 2013, the Adjustments to the PWB 2014-15¹⁸ in October 2013, the report on Progress on the MTP 2014-17¹⁹ in May 2014, and the Mid-Term Review Synthesis Report (MTR) 2014 in February 2015.²⁰ Monitoring and reporting at the Strategic Objective and Outcome level will take place at the end of each biennium. Progress on Outputs is monitored on an annual basis and has been reported in the MTR 2014.

67. Each level of the results framework represents a different type of result to be delivered, starting from what FAO produces (Outputs) contributing to changes at country or wider level (Organizational Outcome) and wider development impacts (Strategic Objective). This results chain is the link between FAO's work and the different levels of results produced. It also demonstrates the logic underlying these linkages: *if* particular FAO products/services are completed as planned, *then* the output will be delivered; *if* the outputs are delivered and the assumptions hold true, *then* that should lead to the desired outcome; *if* the outcomes are achieved, *then* the conditions are in place to result in the objective's development impact.

68. The accountability of FAO, Member States and development partners at each level of results, along with means of measuring progress, is set out in *Figure 3*.

¹⁷ C 2013/3 paragraphs 30-48

¹⁸ CL 148/3 paragraphs 44-70

¹⁹ PC 115/2 – FC 154/9 paragraphs 2-22 and CL 149/LIM/6

²⁰ PC 117/5 – FC 157/7 Annex 1

Figure 3: FAO Monitoring Framework – Accountability and Measurement

| Result level | Accountability and measurement |
|--------------------------------|--|
| Outputs | <ul style="list-style-type: none"> • FAO’s direct contribution (in terms of processes, products and services) to the Organizational Outcomes. Outputs represent the tangible delivery of FAO’s interventions funded through regular and extrabudgetary resources at the national, regional and global level. • FAO produces, controls <i>and is fully accountable for delivery: full attribution</i>. • Indicators and targets established for each output and <i>measured annually</i> using a central results tracking system. FAO Strategic Objective Coordinators are responsible for output level monitoring. |
| Organizational Outcomes | <ul style="list-style-type: none"> • Changes in the country-level or global enabling environment and capacities to achieve a specific Strategic Objective. • FAO influences, but does not fully control outcome level results. FAO has some accountability, but <i>delivery is the responsibility of all partners – FAO, Member States and development partners</i>. FAO can <i>contribute</i> to the changes. • Outcome level indicators and targets established and will be <i>measured biennially</i> through a corporate assessment which includes secondary data, a review of policy documents, and a survey of a range of respondents in a sample of countries. • Baseline assessment conducted in early 2014 will be followed by two further assessments towards the end of 2015 and 2017. Thus, FAO will report progress against its Outcome level targets twice over the four-year period of the MTP. |
| Strategic Objectives | <ul style="list-style-type: none"> • Development impacts at the global level, in the areas where FAO has committed to achieve results (providing a clear line of sight to FAO’s own programme of work). • FAO contributes to, but does not have control over these high-level, long-term results. There is no <i>attribution</i> of any one entity, it is a collective accountability. • Indicators have been established to track global trends at this level and will be monitored by FAO (using international data sources). No targets have been set. |

Programme of Work and Budget 2016-17

A. Main Features

Approach

69. The Programme of Work and Budget 2016-17 presents the organizational results framework (outcomes) established in accordance with the Medium Term Plan, a quantification of costs for all Organizational Outcomes and related commitments, a calculation of cost increases and planned efficiency gains, provision for long-term liabilities and reserve funds, and a draft Conference resolution for approval of the biennial programme of work and the budgetary appropriations.

70. In preparing the PWB 2016-17, the Director-General has considered the guidance received during 2014 from the Regional Conferences, Technical Committees, Programme and Finance Committees and Council concerning priority areas of work,²¹ identification of areas of emphasis and de-emphasis, and improving means of delivery including through decentralization.

71. Based on the review of the Medium Term Plan 2014-17, the programmatic results framework and the budgetary chapter structure remain in place for 2016-17. Taking into account the recent trends and developments and the priorities expressed, and the experience with implementation of the PWB 2014-15, the Director-General has identified areas of programmatic emphasis and de-emphasis and the related resource reallocations for 2016-17, and means of improved delivery, as highlighted below.

Programmatic and budgetary highlights

72. Resources within the PWB amounting to USD 14.2 million are reallocated to eight higher-priority areas of work:

- a) USD 3.3 million for coordination and mainstreaming of work on nutrition, mainly in the new Outcome 6.5 in follow-up to the Second International Conference on Nutrition, and also through increased capacity in decentralized offices;
- b) USD 2.5 million for climate change, mainly for support to countries on international negotiations and adaptation measures;
- c) USD 2.4 million for South-South Cooperation and resource mobilization, particularly in the decentralized offices;
- d) USD 2.3 million through the FAOR network for the balance of FAO's cost share for the UN Resident Coordinator system, as encouraged by the Council;²²
- e) USD 1.5 million for technical capacity in social protection and gender, including to address youth employment, and migration;
- f) USD 0.8 million for technical capacity in statistics, including in the Subregional Office for the Pacific Islands, as a basis for evidence-based decision-making;
- g) USD 0.8 million for technical capacity in aquaculture to boost FAO's work in this fast growing area;
- h) USD 0.6 million to support the Secretariat of the programme on Globally Important Agriculture Heritage Systems, which is implemented through voluntary contributions (see paragraph 202).

73. In addition, capacity in animal diseases, crop production, legislative support, and statistics is bolstered through the transfer or outposting of nine related professional officers to work in the field.

74. The pursuit of efficiency gains and savings remains a high priority for the Organization (see Section B). The Council has welcomed the efficiency savings achieved since 2012 and expressed concern that further savings should not impact negatively on the delivery of the programme of work,²³ while underlining the importance of articulating areas of emphasis and de-emphasis in the programme

²¹ CL 150/LIM/6

²² CL 148/REP paragraph 7f)

²³ CL 149/REP paragraph 18e

of work.²⁴ Bearing this in mind, and recognizing the limited scope for further efficiencies having achieved USD 108.2 million in savings since 2012, the resources reallocated come from two main sources:

- a) expected efficiencies arising from less costly investment in Information Technology, allowing to reallocate USD 5 million from the Capital Expenditure Facility, as further described in Section B.
- b) areas of de-emphasis and re-alignment identified by heads of technical departments and regional offices, arising from reduced demand for some technical areas of work or services in delivering the Strategic Objective work plans, based on experience in 2014; streamlining work in the corporate technical activities; focus on regional priorities and in particular on regional initiatives in decentralized offices, and use of strategic partnerships.

75. Areas of work being de-emphasized and realigned include:

- a) *Plant production*: de-emphasize single crop-based approaches to focus on more integrated sustainable production approaches. For instance, emphasis will be placed on rice-based production systems involving agroforestry, aquaculture and ecosystem services, rather than rice alone.
- b) *Agro-industry and marketing*: completely disengage from market infrastructure (industries, buildings, sheds). Front line support is expected to come more from national agencies that have now advanced capacities. FAO will focus on inclusive and efficient food systems, business models and sustainable value chains.
- c) *Tenure*: two years after endorsement of the Voluntary Guidelines for the Responsible Governance of Tenure, work on global level activities will be de-emphasized to focus on regional and country-level support. Work will concentrate on capacity development and strengthening partnerships with non-state actors and other global networks at regional and national levels to ensure relevant impact in the field.
- d) *Geospatial Information Systems*: work will be re-oriented to focus more on country-level and field implementation. Synergies across FAO and with partners will bring in further savings and minimize duplications.
- e) *Fisheries and aquaculture*: de-emphasise work on new international instruments related to fisheries and aquaculture that will be completed during the current biennium to concentrate on implementation of existing instruments; de-emphasize aquaculture strategy development and focus on sustainable aquaculture practices.
- f) *Forestry*: de-emphasize direct support to larger-scale forest industries and focus on strengthening capacities for small-scale forest industries in the context of small enterprise development and poverty reduction; reduce work on developing tools, methodologies and practices in forest harvesting that can be taken up by partner agencies.
- g) *Livestock*: considering capacities existing at country level, de-emphasize work on animal diseases of either limited economic or food security value, and of those that address non-mainstream species (e.g. mad cow - bovine spongiform encephalopathy, mastitis). Focus on support to small-holder communities on transboundary animal diseases (i.e. the eradication of peste des petits ruminants) and response to emergencies.
- h) *Nuclear application techniques (Joint FAO/IAEA Division)*: de-emphasize work on crop fertilization management, research and development on screwworm and moth pests, development of general breeding techniques, collection and conservation of mutant lines, and nuclear application in animal reproduction, due mainly to increased capacities and application of national programmes on these areas.

²⁴ CL 150/REP paragraph 16b

- i) *Nutrition*: in realigning and strengthening work on nutrition in follow-up to ICN2, reduce work on nutrition education curricular development and some food composition work.
- j) *Partnership, advocacy and capacity development*: phase out system support to initiatives such as AGRIS and AGROVOC, which will be increasingly handed over to partners; rationalize support to the Alliance Against Hunger and Malnutrition, subsuming some of the work under advocacy initiatives on the Right to Food through the parliamentary fronts; focus communication for development work on contributions to family farming; discontinue follow-up work concerning the 2004 World Summit on the Information Society.
- k) *Statistics*: rationalize data collection work with external partners, also taking advantage of FAO's new Statistical Working System, and identify areas of duplication and consolidation of statistical processes across technical divisions, such as construction and maintenance of household *survey* databases.
- l) *Water and land resources*: de-emphasize work on water governance and focus on water tenure to complement the work under the voluntary guidelines; reduce technical support and backstopping on irrigation investment frameworks, which is done through the Investment Centre and external partners.
- m) *Climate change and energy*: rationalize work on climate change across divisions and with external partners. On energy, replace direct support to country requests on sustainable bioenergy with training of regional experts/centres of excellence that would provide such direct support.

76. In order to give a further boost to countries in addressing their priorities to achieve results with FAO, particularly to adapt to the effects of climate change in the Small Island Developing States, the Director-General proposes a real increase of USD 6.1 million to bring the Technical Cooperation Programme to 14 percent of the net appropriation, in line with the guidance of Conference²⁵ (see Section D, TCP).

77. Furthermore, consistent with the Council's views on evaluations of FAO's effectiveness at country level, a more proactive approach will be taken in middle-income countries. The transformation of status from net recipient of FAO's products and services to active partners reflecting the changing economic and developmental reality of upper- middle-income countries will be pursued. The Organization will tailor its services to the shifting requirements with a focus on South-South Cooperation, governance and policy assistance, non-communicable diseases and nutrition including obesity. The role, status and funding modalities of country offices will also be reviewed.

Budgetary chapter allocations

78. The starting point for budgetary chapter allocations is the Adjustments to the PWB 2014-15 approved by the Council, as delegated by the Conference, in December 2013.²⁶ The change in allocation of the net appropriation among budgetary chapters in the PWB 2016-17, shown in Table 1, arises mainly from the detailed planning and implementation of the PWB 2014-15 that took place during 2014, as reported in detail to the Programme and Finance Committees in the Progress on the MTP 2014-17,²⁷ Mid-Term Review Synthesis Report 2014²⁸ and Annual Report on Budgetary Performance and Programme and Budgetary Transfers.²⁹

²⁵ Conference Resolution 9/89

²⁶ CL 148/3 and CL 148/REP (December 2013)

²⁷ PC 115/2 – FC 154/9 (May 2014)

²⁸ PC 117/5 – FC 157/7 (February 2015)

²⁹ FC 157/8 (February 2015)

Table 1: Comparison of Net Appropriation between the 2014-15 biennium and the proposed PWB 2016-17 (before cost increases)

| Budget chapter | Strategic/Functional Objectives | (USD thousands) | | |
|----------------|---|----------------------|--------------|------------------|
| | | Adjusted PWB 2014-15 | Change | PWB 2016-17 |
| 1 | Contribute to the eradication of hunger, food insecurity and malnutrition | 94,617 | (12,409) | 82,207 |
| 2 | Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner | 198,681 | 1,247 | 199,927 |
| 3 | Reduce rural poverty | 62,142 | 2,027 | 64,169 |
| 4 | Enable more inclusive and efficient agricultural and food systems | 115,217 | (10,212) | 105,004 |
| 5 | Increase the resilience of livelihoods to threats and crises | 37,905 | 12,141 | 50,045 |
| 6 | Technical quality, knowledge and services | 54,746 | 4,499 | 59,245 |
| 7 | Technical Cooperation Programme | 134,721 | 6,100 | 140,821 |
| 8 | Outreach | 64,712 | 12,141 | 76,852 |
| 9 | Information Technology | 35,501 | 525 | 36,026 |
| 10 | FAO governance, oversight and direction | 80,213 | 1,779 | 81,992 |
| 11 | Efficient and effective administration | 81,691 | (6,736) | 74,955 |
| 12 | Contingencies | 600 | 0 | 600 |
| 13 | Capital Expenditure | 21,886 | (5,000) | 16,886 |
| 14 | Security Expenditure | 23,017 | 0 | 23,017 |
| | Total Appropriation (Net) | 1,005,648 | 6,100 | 1,011,748 |

79. Transformational change during 2012-13 brought about new ways of working in 2014, including delivery through the regional initiatives and corporate technical activities. The strong focus on results-based planning led to the realignment of work in the Strategic and Functional Objectives for more effective implementation. This, along with the areas of priority, de-emphasis and realignment for 2016-17, generate shifts of resources among budgetary chapters compared with the distribution in the Adjustments to the PWB 2014-15, as summarized below.

- a) SO1 goes down and FOs 8 and 10 go up primarily due to the realignment of work on knowledge exchange, capacity development and legal advice under the FOs, and coordination of nutrition under Objective 6, counterbalanced by increased resources for nutrition in SO1 and regional allocations for the initiatives on the Zero Hunger Challenge in Africa, Asia and Latin America.
- b) The increase in SO2 results from additional resources for climate change and GIAHS, as well as regional allocations for initiatives on blue growth and water scarcity in Asia and the Pacific and the Near East.
- c) SO3 goes up due to additional resources for work on youth and migration, consolidation of work in rural finance from SO4, as well as regional allocations for initiatives on family farming and investments in Latin America.
- d) SO4 goes down due to the realignment of funding for the Investment Centre across the Strategic Objectives, the consolidation rural finance under SO4 and of EMPRES food safety work under SO5, partially offset by regional allocations for the initiatives on value chains in the Caribbean, Europe and Central Asia, and the Pacific Islands.

- e) SO5 goes up due to consolidation of work on EMPRES early warning and risk management, and regional allocations for the initiatives on resilience.
- f) The increase in Objective 6 results primarily from additional resources for core work on nutrition and statistics.
- g) The proposed increase in the Technical Cooperation Programme is reflected in Chapter 7.
- h) The increase in FOs 8 and 10 arises from the realignment of work on knowledge exchange, capacity development and legal advice as described above. The small increase in FO 9 is to strengthen the capacity of decentralized offices in managing IT resources.
- i) FO 11 on administration goes down due to the reallocation of USD 2.8 million in resources for the increased cost of mobility, previously budgeted in this Chapter, to staff costs where they will be incurred across chapters. Further shifts out of FO11 resulted from the reprogramming of the time of some staff in the Legal Office and Regional Offices to other Functional Objectives.
- j) Chapter 11 Capital Expenditure is reduced by USD 5 million due to expected efficiencies and reallocated to higher-priority areas.

80. It is recalled that there has been a substantial reduction in resources for the Functional Objectives since the Adjustments to the PWB 2012-13 was approved in December 2011.³⁰ At that time, the Functional Objectives were budgeted at USD 325.4 million which already included USD 34.5 million in savings. Efficiency measures put in place since then resulted in further savings of USD 37.1 million in 2012-13 and USD 36.6 million in 2014-15³¹ the bulk of which (USD 55.5 million) have come from the Functional Objectives. In particular, savings in administration resulted in a 29 percent reduction in the budget for FO11 during this period.

81. The re-engineering and restructuring of the Information Technology Division during 2014 has achieved the USD 11 million (22 percent) savings foreseen under FO9 in the Adjustments to the PWB 2014-15, through the abolition of 41 posts and reduction in use of consultants and work orders, as described in Section D for FO9.

82. The 2016-17 results-based work planning process to be undertaken during July to October 2015, as well as guidance provided by the governing bodies, may result in further shifts in resources among budgetary chapters. These will be reported in the Adjustments to the PWB 2016-17 for consideration by the Council in December 2015 prior to implementation of the Programme of Work.

Resources for conventions and treaty bodies

83. FAO's funding commitments for various conventions and treaty bodies are managed by the head of the relevant department or office in conjunction with the concerned Secretariat, as corporate technical activities. The resources for these commitments are budgeted under the relevant Strategic Objectives and amount to USD 20 million, as follows:

- Codex Alimentarius Commission: USD 7.1 million (SO4)
- Joint FAO/WHO Expert Committee on Food Additives (JECFA) and Expert Meeting on Microbiological Risk Assessment (JEMRA), Pesticide Management (JMPPM), Pesticide Residues (JMPPR), and Pesticide Specifications (JMPPM): USD 1.6 million (SO2 and SO4)
- International Plant Protection Convention: USD 5.9 million (SO2)
- Rotterdam Convention on prior informed consent procedure for certain hazardous chemicals and pesticides in international trade: USD 1.5 million (SO2)

³⁰ CL 145/3

³¹ C 2015/8 paragraph 424 and CL 148/3 paragraph 39

- International Treaty on Plant Genetic Resources for Food and Agriculture: USD 2.0 million (SO2)
- Other treaty bodies established under Article XIV of the FAO Constitution: USD 1.9 million (SO2 and SO4)

Overview of resources planned and sources of funding

84. The PWB proposes a biennial Programme of Work funded from the assessed budget and an estimate of extrabudgetary voluntary funding delivery. The Programme of Work is based on the requirements to achieve the targets under the results frameworks for FAO's Objectives, along with associated requirements for the Technical Cooperation Programme, Contingencies, and Capital and Security Expenditures (see Section D).

85. There are two distinct sources of funding subject to the same planning and oversight arrangements in a unified work programme. One source of funding is the assessed contributions by Members (based on the agreed scale of contributions) financing the Net Appropriation voted by the Conference in the Budgetary Appropriations Resolution. The other main source stems from extrabudgetary resources provided by Members and other partners on a voluntary basis through direct support to the Organization, or through Trust Funds to provide technical and emergency assistance to governments for clearly defined purposes linked to the Programme of Work.

86. Table 2 provides a summary of 2016-17 resource requirements by budgetary chapter and source of funding, i.e. net appropriation and extrabudgetary resources.

Table 2: 2016-17 Budget proposal by Chapter and funding source

| Budget chapter | Strategic/Functional Objectives | (USD thousands at 2014-15 rates) | | |
|----------------|---|----------------------------------|------------------|------------------|
| | | Net Appropriation | Extrabudgetary | Total |
| 1 | Contribute to the eradication of hunger, food insecurity and malnutrition | 82,207 | 211,813 | 294,020 |
| 2 | Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner | 199,927 | 396,377 | 596,305 |
| 3 | Reduce rural poverty | 64,169 | 101,346 | 165,515 |
| 4 | Enable more inclusive and efficient agricultural and food systems | 105,004 | 128,229 | 233,233 |
| 5 | Increase the resilience of livelihoods to threats and crises | 50,045 | 699,643 | 749,688 |
| 6 | Technical quality, knowledge and services | 59,245 | 3,955 | 63,200 |
| 7 | Technical Cooperation Programme | 140,821 | 0 | 140,821 |
| 8 | Outreach | 76,852 | 140 | 76,992 |
| 9 | Information Technology | 36,026 | 4 | 36,030 |
| 10 | FAO governance, oversight and direction | 81,992 | 1,179 | 83,171 |
| 11 | Efficient and effective administration | 74,955 | 7,280 | 82,235 |
| 12 | Contingencies | 600 | 0 | 600 |
| 13 | Capital Expenditure | 16,886 | 0 | 16,886 |
| 14 | Security Expenditure | 23,017 | 181 | 23,198 |
| | Total Appropriation (Net) | 1,011,748 | 1,550,147 | 2,561,895 |

87. The net appropriation reflects the requirements, before cost increases, proposed to be funded from assessed contributions by Members, starting from the nominal level of the 2014-15 budget (USD 1,005.6 million). The proposed net appropriation of USD 1,011.7 million (before cost

increases) represents a 0.6 percent of overall resource requirements. The purchasing power of the assessed contributions would be preserved by updating unit costs through the estimation of cost increases (USD 34.3 million, see PWB Section C), resulting in a net appropriation of USD 1,046.1 million with cost increases.

88. The extrabudgetary resources reflect the preliminary estimates for voluntary contributions in 2016-17, comprising 61 percent (USD 1,550.1 million) of overall resource requirements. The estimates of delivery are based on operational projects that will extend into the next biennium, proposed projects in the pipeline and likely to be approved, and prospects based on project ideas and positive contacts with partners. Most voluntary contributions are raised as earmarked projects, both at global and field level, and efforts are being made by the Organization to better align these contributions with the Strategic Objectives. In view of the fact that this document has been prepared one year before the start of the biennium, the estimated level and distribution of voluntary contributions will be updated in the Adjustments to the PWB 2016-17 in December 2015 along with the Output targets.

B. Improved delivery

89. Based on experience with implementation arrangements during 2014 and the programmatic thrusts for 2016-17, the Organizational structure and distribution of posts are fine-tuned to improve delivery of the programme of work.

Implementation arrangements

90. Implementation arrangements have been put in place since the beginning of 2014 to enable effective execution of the PWB, based on the principle of preserving existing and well-functioning delivery mechanisms, while addressing critical gaps in terms of corporate delivery and accountability.

91. As foreseen, the Corporate Programmes Monitoring Board (CPMB) provides strategic direction, coordination, oversight and continuous review of the matrix approach for programme delivery, with a particular emphasis on the Strategic Objectives. The CPMB is chaired by the Director-General and comprises the Deputy Directors-General, Assistant Directors-General (all locations), Strategic Objective Coordinators (SOCs) and Director OSP. The CPMB met 11 times in 2014 to review and approve SO work plans and skill mix; agree policies and implementation plans for resource mobilization, delivery mechanisms (in particular regional initiatives), the project cycle, technical networks, accountability, and monitoring and reporting; and review performance against targets.

92. Established delivery mechanisms within organizational units have been reinforced with the introduction of Delivery Managers (DMs), who provide a results-oriented bridge between Strategic Objective Coordinators (SOCs) and the units delivering products and services. The Delivery Managers coordinate, monitor and steer delivery towards desired results as measured by the indicators in a corporate approach that brings together contributions of headquarters technical units and decentralized offices.

93. Delivery Managers' roles have been defined and incumbents identified accordingly. DMs for corporate technical activities at headquarters are supported by Assistant Directors-General and Directors. Similarly, Regional Initiative DMs based in regional or subregional offices support the SOCs in implementation, and in turn are supported by the relevant Regional Representative and units and staff involved with the Regional Initiative (RI) at headquarters and decentralized locations. FAO Representatives act as DMs at country level within the context of Country Programming Frameworks, which encompass *inter alia* country-specific work elements of RIs, corporate technical activities and other areas of work.

94. Delivery is monitored at each managerial level using four streams of information: country-level commitments; delivery of products and services; budgetary and financial performance; and achievement of results against the monitoring framework described in the MTP (Section C). The governing bodies provide oversight through the annual report on budgetary performance, the Mid-Term Review Synthesis Report³² and the Programme Implementation Report.

Organizational structure

95. Based on experience and to better align structure with programmes and services, four adjustments are proposed within the current Organizational structure approved in the PWB 2014-15.

Office of Food Safety

96. The 24th session of the Committee on Agriculture and the 150th session of Council in 2014 endorsed FAO's strategy for improving food safety globally under the reviewed Strategic Framework. The Rome Declaration and Framework for Action of ICN2 and the Sustainable Development Goals emerging from discussion of the Post-2015 development agenda specifically recognize the critical contribution of food safety to food security and nutrition.

97. Currently, FAO's substantial capacity in food safety is located in two units housed within the Office of the Assistant Director-General, Agriculture and Consumer Protection Department

³² PC 117/5 – FC 157/7

(ADG/AG): the Food Safety and Quality Unit (AGDF) and the Codex Secretariat (AGDC). In order to project a more integrated and visible hub of scientific and technical support for food safety, and to strengthen coordination of FAO's network of food safety officers in decentralized offices, it is proposed to create an Office of Food Safety in the AG department, reporting to the ADG/AG. The new Office of Food Safety (AGF), which would appear in the organigramme (*Annex VI*), would comprise AGDF and the Codex Secretariat and would have no resource implications.

Office of Human Resources

98. The 144th session of the Council in 2012 endorsed structural adjustment of the human resource management capacity of FAO as part of institutional strengthening, which underpinned the successful transformational change of the Organization. The adjustment of human resources management capacity was based around realignment of reporting lines and accountability, with a small unit consisting of the Director and of its strategy and policy component relocated to the Apex, thus reporting directly to the Director-General.

99. Experience since then has shown the need to leverage synergies between strategy and policy aspects of human resources management and core aspects of its implementation capacity under the leadership of the Director of Human Resources. This would enable a positive feedback loop for effective and timely development and application of HR strategies and policies.

100. Accordingly, key operational components of the existing Human Resources Support Service (CSP) necessary for establishment of effective synergy will be transferred into the Office for Human Resources (OHR), involving the transfer of a total of 24 posts. The payroll, benefits and entitlements functions (6 posts) will be transferred from CSP to Finance Division (CSF) to merge with the related downstream operations already located in CSF. Support for e-learning, i-recruitment, and staff planning will be transferred to the Shared Services Centre (CSS), involving the transfer of 11 posts. In addition, three posts relating strictly to HR aspects of the Administrative Law Service (LEGP) are transferred to OHR, and the remainder of LEGP (3 posts) is absorbed in the General Legal Affairs Service (LEGA) of the Legal Office.

101. The position of Deputy Director at D1 level will be established in OHR to support management of the Office, as well as to coalesce the functional reporting lines of the Shared Services Centres in Bangkok, Budapest and Santiago, thus supporting consolidated oversight and accountability of HR functions throughout the Organization.

102. Further structural enhancements will be undertaken for improved human resources management in decentralized locations, and as a result of streamlining efforts underway. This includes outposting of Human Resource Officers to subregional and other decentralized offices, automation of routine operations, establishment of standard operating procedures, and review of learning and development, planning and staffing, and staff welfare services. Such enhancements are expected to lead to further offshoring of routine transaction functions, and obviating the need for related capacity, which in turn is expected to result in savings and downsizing of OHR during the course of 2016-17.

103. This rationalization of human resources capacity within the Organization will lead to the abolition of CSP, and accordingly, the existing title of the Corporate Services, Human Resources and Finance Department (CS) will be simplified to Corporate Services Department, as shown in the organigramme (*Annex VI*).

Office of Support to Decentralized Offices

104. The strengthening of the decentralized offices network has been a key component of the transformational changes undertaken at FAO since January 2012, and the Office of Support to Decentralization (OSD) has played an important role in the process, and reflected in the organigramme (*Annex VI*).

105. As the process has evolved, OSD will now be able to focus on its core competency of providing support and coordination to decentralized offices with regard to policy, structure, budget and finance, and other responsibilities including the process of training, selection and performance management of FAO Representatives.

106. The refocusing reflects the success of decentralization efforts thus far, and will be supported by the transfer of all functions relating to project cycle management and oversight to the Technical Cooperation Department, and of residual responsibilities connected to the country programming frameworks to the Office for Strategy, Planning and Resources Management (OSP).

107. As a result, the title of the OSD shall change from Office of Support to Decentralization to Office of Support to Decentralized Offices.

South-South Cooperation and Resource Mobilization Division

108. At its 145th session in 2012, the Council endorsed adjustments to the Technical Cooperation Department (TC) as part of transformational changes in the 2012-13 biennium, aimed at improving the department's provision of transversal support to FAO's programmes, technical departments and decentralized offices.

109. The activities of the South-South Cooperation and Resource Mobilization Division (TCS) are a major constituent of TC's functions and responsibilities. As a natural evolution of institutional enhancement of the TC department, TCS will be strengthened in its support of organizational units at headquarters and in decentralized locations in leadership and accountability for resource mobilization, south-south and triangular cooperation, and project cycle management and oversight.

110. This includes the merger of two existing services in TCS dedicated separately to resource mobilization and south-south cooperation respectively, the transfer of project cycle functions from OSD, the establishment of two cross-cutting teams, and the creation of a functional network of staff with related functions in regional offices and headquarters' units.

111. The transformation of TCS will enable it to better serve FAO's work in resource mobilization and south-south cooperation partnerships in line with corporate priorities within the reviewed Strategic Framework and Programme of Work and Budget.

Posts overview

112. Post changes arise from the above structural alignment, the programmatic areas of emphasis and de-emphasis, and improved delivery particularly at country level.

Headquarters

113. In addition to the post changes arising from the headquarters structural alignment above, new professional posts are established in headquarters for priority work on nutrition (2), climate change (1) and social protection (3). There has been a realignment of posts within the Forestry Department, headquarters posts for field security have been shifted from CS Department to the Office of Deputy Director-General (Operations) in line with functional responsibility, and resources for records management have been consolidated in the Officer of the ADG/CS.

114. In terms of Director-level posts, the restructuring of TCS results in the abolition of one D-1 level post, and the position of Manager, Shared Services Centre, has been downgraded from D-1 to P5 in line with the level of responsibilities, offset by the new D-1 Deputy Director in OHR.

115. Finally, a review was carried out of the 11 long-standing posts included in the PWB post counts that are funded entirely from Trust Funds. One of these is a professional post for the Secretary of the European Commission for the Control of Foot-and-Mouth Disease (EuFMD) in AGA, funded by the Commission. The other 10 posts, 6 professional and 4 general service in DDN, are for the Independent Science and Partnership Council funded by the CGIAR. From a selection and recruitment perspective, the posts are treated as Trust Fund posts, yet four of the current incumbents are counted in the geographic distribution. To bring the treatment of these posts in line with the treatment of all other Trust Fund posts, the 11 posts have been removed from the PWB post count from 2016-17. The change will have no resource implications and will reduce by four the number of posts in the geographic distribution post count.

Decentralized offices

116. As highlighted above, a number of changes are proposed to reallocate resources to higher priority areas and to strengthen decentralized offices to deliver greater and more focused results. This entails either the creation of new posts, or the shift from headquarters to decentralized offices of posts that are more appropriately located closer to the country-level results that they are designed to support. All relate in one way or another to the priorities outlined in Section A.

117. Many of the changes arise directly from agreed programme evaluation recommendations. An example is the creation of three additional Nutrition Officer posts in 2014, which are now formalized in this document, located in Subregional Offices in Africa. This action follows explicitly from the recommendations in the *Evaluation of FAO's role and work in nutrition*³³ of June 2011, and is fully in line with the outcomes of ICN2.

118. Examples of the transfer are two statistics posts moving from headquarters to Subregional Offices in Africa and the Caribbean, along with the creation of a new statistics post for the Subregional Office for the Pacific Islands. In a few cases, posts have been moved between offices in the same region, such as a nutrition post in RLC that has moved to Central America, to be closer to the highest demand from countries.

119. Other areas of emphasis that call for additional technical capacity include aquaculture in Asia and Africa; animal health to deal with transboundary animal disease surveillance, prevention and control; crop production in Africa; and programme development and project formulation support for country offices in Africa, Asia and Latin America.

120. Finally, several additional officers are outposted, whereby they continue to report to their headquarters unit but are located in regional or subregional offices. This is the case for two Legal Officers that have been outposted to Santiago and Addis Ababa, who will work in close contact with and under the supervision of the Legal Office, but in proximity to the respective Regional Economic Commissions.

Overall impact

121. The evolution of budgeted post counts by grade and organizational unit from the Adjustments to the PWB 2014-15 to the PWB 2016-17 proposals, arising from the structural and programmatic changes, is provided in *Annex V*. The evolution of budgeted posts by location and category is summarized in Table 3, showing no increase in the overall post count. The reduction of 33 general service posts (mainly at headquarters) through continued streamlining is counterbalanced by an increase in professional posts, primarily in decentralized locations including through outposting.

³³ PC108/6

Table 3: Evolution of budgeted posts by location and category

| Grade Category | Adjusted PWB 2014-15 | Change | PWB 2016-17 |
|----------------------------|-------------------------|-------------|--------------|
| Headquarters | | | |
| Professional and above | 870 | (2) | 868 |
| General Service | 636 | (30) | 606 |
| Total Headquarters | 1,506 | (32) | 1,474 |
| Decentralized | | | |
| Professional and above | 576 | 35 | 611 |
| General Service | 863 | (3) | 860 |
| Total Decentralized | 1,439 | 32 | 1,471 |
| All locations | | | |
| Professional and above | 1,446 | 33 | 1,479 |
| General Service | 1,499 | (33) | 1,466 |
| Total | 2,945 | 0 | 2,945 |

Note: Professional counts in the decentralized offices in the PWB 2016-17 include 36 officers outposted from headquarters: 1 liaison officer, 4 internal auditors, 22 TCI investment officers, 5 finance officers, 2 legal officers and 2 field security officers. The 25 junior professional posts are included in the headquarters count.

Efficiencies and savings

122. The Conference has emphasized that identification of efficiency gains and savings should be driven by the goal of ensuring the most efficient and effective use of resources, and not at the expense of the delivery of the Programme of Work. Furthermore, the Conference has stressed the importance of reducing the increases in staff costs of the Organization, and requested that further efficiency gains and savings be achieved particularly by measures aimed at reducing the staff costs, which constitute approximately 75 percent of the budget.³⁴

123. The pursuit of efficiency gains and savings remains a high priority for the Organization. The Director-General's transformational change for FAO, starting in 2012, included as a prime element the need to institute a mindset of value-for-money within the Organization. This has already resulted in substantial efficiency savings: USD 71.6 million in 2012-13, and USD 36.6 million being found during the 2014-15 biennium, while delivering the approved Programme of Work. The approach taken was framed by the overarching principle of minimizing the impact on decentralized offices and the technical departments of the Organization. The savings were mainly in staff costs and in the administrative units, resulting in the abolition of 235 posts over the two biennia.³⁵

124. For the 2016-17 biennium, the overarching principle for finding savings is maintained, with a focus on four possible areas of savings.

Staff costs

125. While noting that staff costs account for approximately 75 percent of FAO's budget, and appreciating the level of savings achieved by the Director-General, the 38th session of the Conference in 2013 recognized that the vast majority of FAO staff benefits and entitlements are determined under the United Nations Common System and are approved by the International Civil Service Commission (ICSC) and/or the United Nations General Assembly in New York.³⁶

126. Therefore, significant further savings from staff costs at FAO may only be achieved through meaningful changes to the compensation package. The Conference acknowledged this can only occur

³⁴ C 2013/REP paragraphs 97-110

³⁵ C 2015/8 paragraphs 424-426, CL 148/3 paragraphs 8-13

³⁶ C 2013/REP paragraph 106 and Resolution 7/2013 paragraph 4

through effective dialogue with the UN General Assembly and the ICSC and active participation in their ongoing comprehensive review of the staff compensation package.

127. In this regard, the Finance Committee³⁷ and the Council³⁸ have repeatedly reiterated the importance of engagement by FAO Members with the Fifth Committee of the United Nations General Assembly. The urgency for this engagement was highlighted most recently by the Finance Committee at its 156th session in November 2014 within the context of its concern that the ongoing review of the compensation package by the ICSC was proceeding slowly.³⁹

128. Staff cost savings have arisen in 2014-15 from the freeze in UN System professional and general service salaries during the ongoing ICSC review, as explained in Section C on anticipated cost increases. Continued engagement is necessary to ensure that the ICSC review results in lasting savings.

Capital Expenditure – Information Technology

129. The Capital Expenditure Facility provides funding for investments in assets with a useful life of more than two years. Since it was established in the 2004-05 biennium, it has been used almost entirely to fund major capital investments in corporate Information Technology: investments in core ICT infrastructure, corporate administrative systems, corporate technical applications, and management information systems (see Section D, Capital Expenditure). More rigorous criteria introduced for the 2014-15 biennium have brought greater rigour to the assessment of investment quality of Capex proposals, as reported in the MTR 2014.⁴⁰

130. Investments in Information Technology are managed by the Information Technology Division (CIO), which was re-engineered and structured during 2014 (see Section D, Information Technology). CIO is focusing IT infrastructure and support services investments on changing the paradigm of how these services are provided, with a fundamental shift towards exploiting the outsourcing opportunities now readily available in the IT marketplace.

131. For example, the headquarters Data Centre current hosts several hundred servers, including every single corporate IT system. A one-time investment is being planned within current resources to identify and then manage the migration of this infrastructure to external service providers. These external service providers will offer modern flexible services, 24*7 support, as well as much improved resilience. Public Cloud services will be exploited where appropriate for FAO's public information, while systems with confidential information would remain internal or be hosted at UNICC in order to maintain FAO's privileges and immunities over the confidential data. As well as replacing infrastructure, the Public Cloud also offers opportunities to replace internal collaboration services such as Email (MS 365), often with reduced cost and additional functionality such as Dropbox-like follow-me data capabilities, and others.

132. One impact of these opportunities is that there should be a reduction in requirements for future Capital Expenditure investments in IT infrastructure and systems. This is because the current fluctuating requirements to invest one-time in hardware, software and licenses would all but cease, and would be replaced by more predictable operational costs. Based on the current rate of use of Capital Expenditure and these innovations, the appropriation for Capital Expenditure is reduced by USD 5 million and reallocated for technical work (see Section A).

133. Furthermore, a study underway on the feasibility of achieving synergies and convergence across the enterprise resource planning (ERP) systems of the Rome-based agencies for enhanced efficiency and savings will seek to leverage the results of a UN system-wide study already initiated on ERP interoperability in support of the harmonization of business practices.

³⁷ CL 149/4 paragraph 21e), CL 150/4 paragraphs 23-24

³⁸ CL 148/REP paragraph 7e), CL 149/REP paragraph 18f), CL 150/REP paragraph 17.vii

³⁹ FC 156/11

⁴⁰ PC 117/5 – FC 157/7 paragraph 125

Conference, Council and Protocol Affairs

134. Ongoing review of services provided by the Conference, Council and Protocol Affairs Division (CPA) has resulted in savings, and further efficiencies and savings are envisaged during the next biennium.

135. A review of servicing of staff privileges and entitlements has led to the abolition of one position relating to car import service, and further efficiencies are expected in this area. Similarly, modernization of official correspondence activities may lead to streamlining within the Division. Furthermore, a new business model for printing and distribution of documents based around the principle of outsourcing of printing activities is currently being studied, and is expected to yield significant efficiency and savings in the coming biennium.

Security services

136. The security services at FAO are organized in two branches: Headquarters Security (in CS Department), which is responsible for securing the safety for headquarters premises in Rome, support for the execution of the Director-General's function as Designated Official for Security for Italy, and liaison and coordination with the Host Government and the United Nations Department of Security (UNDSS); and Field Security (under DDO), which ensures the security and safety for personnel in decentralized locations. The security function is described in Section D, Chapter 14 Security Expenditure.

137. In order to provide flexibility to enhance security both at headquarters and at field locations, nine vacant general service posts within the headquarters security branch will be abolished and the resources (USD 1.6 million) reinvested within the Security Expenditure Chapter. Further opportunities for efficiency within the security services will be explored during the 2016-17 biennium.

Further administrative efficiency

138. Since 2012, a culture of value-for-money has been firmly imbued within FAO, and greater efficiency will continue to be pursued throughout the 2016-17 biennium. This will be driven as before by the principle of streamlining the overall administrative construct, particularly at headquarters, while maintain and enhancing to the extent possible the technical capacity of the Organization. Accordingly, opportunity for further efficiency in the Administrative Services Division (CSA), the Conference, Council and Protocol Affairs Division (CPA), as well as in other non-technical organizational units will be explored, including through synergies and convergence of related systems and processes among the Rome-based agencies.

C. Financial and budgetary dimensions

139. This section computes the requirements to fully fund the Programme of Work through assessed contributions by preserving the purchasing power of the proposed Net Appropriation. It describes the estimation of cost increases and other incremental changes in moving from the 2014-15 to the 2016-17 biennium.

Anticipated cost increases

Methodology and context

140. The methodology for calculating cost increases in the PWB 2016-17 follows the approach previously approved by the Finance Committee, Council and Conference. The cost increase estimates cover the recosting of Regular Programme inputs from 2014-15 to 2016-17 levels to deliver the Programme of Work, namely for Personnel Services and Goods and Services. The cost increase estimates are developed on a biennial basis from: actual cost adjustments that are occurring in the current biennium (biennialization); projected adjustments to unit costs that will take effect in the next biennium (inflation); and the lapse factor on established posts.

141. *Biennialization* is the incremental financial effect in 2016-17 of staff cost adjustments that are occurring in the 2014-15 biennium. Biennialization is the consequence of two factors:

- under- or over-budgeted costs in the current biennium (2014-15), that is, where actual staff costs per work month are at variance from the budgetary estimates prepared two years earlier;
- current (2014-15) cost adjustments that took or will take effect at some point during the 2014-15 biennium (whether budgeted or not) that have to be applied to a full 24-month period in the 2016-17 biennium.

142. As such, biennialization objectively reflects the financial impact of events that have already taken place or are expected to take place before the implementation of the 2016-17 budget. Most changes in staff costs implemented during the biennium are the result of recommendations by the International Civil Service Commission (ICSC) approved by the General Assembly of the United Nations. The movements of the US dollar against local currencies in decentralized offices also contribute to biennialization to the extent that they differ from the previous biennium exchange rates.

143. Accordingly, the financial implications of biennialization are essentially a matter of fact and arithmetic, not conjecture or long-range planning. The estimates for the current service cost of after-service staff benefits are based on the latest results of the actuarial valuation for the staff-related liabilities schemes (After-service Medical Coverage, Terminal Payments Fund, Separation Payment Scheme, and Compensation Fund). An actuarial valuation is carried out by each Rome-based agency every year.

144. *Inflation* represents the cost impact in 2016-17 of those adjustments that are expected to take effect at various points in the next biennium. Inflation estimates for salaries, pension fund contributions and allowances are derived from the recent external forecasts (Consumer Price Index (CPI), nominal wage indexes, exchange rate by location) by the Economist Intelligence Unit (EIU), published data of authoritative bodies such as the ICSC, and independent verification.

Overview of cost increase estimates

145. The cost increases estimates for the proposed 2016-17 Net Appropriation have been calculated at USD 34.3 million, which corresponds to a biennial cost increase of 3.4 percent. Total estimated cost increases are the lowest in the past seven biennia, which ranged from 3.9 percent (2012-13) to 12.2 percent (2008-09). The estimated cost increases for 2016-17 are summarised by input category in Table 4.

Table 4: Summary of cost increases under the Net Appropriation in 2016-17 at 2014-15 budget rate of exchange*

| | (USD millions) | | | | | |
|---|--|------------------------|------------------|---------------------------------------|---|--|
| | PWB 2016-17 Proposed Net Appropriation at 2014-15 costs (a) | Biennialization (b) | Inflation (c) | Cost increases for 2016-17 (d=b+c) | Percent cost increase (biennial) (e=d/a) | Percent of cost increase attributable to each cost component |
| Personnel Services | | | | | | |
| Salaries, Pension Fund Contributions and Allowances | 692.0 | (10.5) | 20.6 | 10.1 | 1.5% | 29% |
| After Service Benefits | 62.4 | 14.1 | - | 14.1 | 22.6% | 41% |
| Total Personnel Services | 754.4 | 3.6 | 20.6 | 24.2 | 3.2% | 70% |
| Total Goods and Services | 406.3 | - | 10.2 | 10.2 | 2.5% | 30% |
| Corporate and Other income | (149.0) | - | - | - | 0.0% | - |
| Budget level for Net Appropriation and additional requirements | 1,011.7 | 3.6 | 30.8 | 34.3 | 3.4% | 100% |

* The breakdown of the budget by input category as shown in the column entitled "PWB 2016-17 Proposed Net Appropriation at 2014-15 costs" reflects the input mix of the 2016-17 proposal at 2014-15 costs. Figures are rounded to the nearest tenth.

Personnel services

146. Personnel services comprise all staff costs, including salaries, pension fund contributions, dependency allowances, social security and other staff-related entitlements and after-service benefits for both the professional and general service staff categories. The increases in personnel services costs derive from decisions regarding the UN common system, as reviewed by the ICSC and approved by the UN General Assembly, and other external factors such as prevailing market exchange rates. This last element is particularly relevant for staff costs in those decentralized offices where local currencies strengthen against the US dollar. The ICSC increases apply by location and staff category when they occur.

147. Personnel services are estimated to increase by 3.2 percent compared to the previous biennium and account for USD 24.2 million (70 percent) of cost increases summarized in Table 4. Biennialization accounts for USD 3.6 million of this amount (i.e. the incremental financial effect in 2016-17 of staff cost adjustments that are occurring in the current biennium), while inflation is estimated at USD 20.6 million (i.e. the cost impact of adjustments that are expected to take effect from January 2016).

148. Biennialization of USD 3.6 million is extremely low compared to previous biennia and is entirely due to the cost of Personnel Services. It arose from the combination of a biennialized staff cost reduction of USD 10.5 million and an estimated increase in the current service cost of the after-service staff benefits of USD 14.1 million, as follows:

- the effect of UN System professional and general services salaries and pension freeze in the 2014-15 biennium, only partially counterbalanced by the higher than budgeted costs for other allowances such as dependency allowances, education grant, entitlement travel, rental subsidy and danger pay in 2014-15, results in a biennialized reduction in 2016-17 of around USD 7 million in staff costs;
- the basic medical insurance plan cost for professional and general service categories has not increased in the 2014-15 biennium, mainly attributable to the new medical insurance contract, resulting in a biennialized reduction of USD 3.6 million in staff costs in 2016-17;
- the higher than budgeted overall increase in the current service costs of the after-service staff benefits, based on the actuarial valuations as at 31 December 2013 and an estimated increase for After-service Medical Coverage (ASMC) in the preliminary valuation report as at 31 December 2014, resulting in a biennialized increase of USD 14.1 million in 2016-17.

149. Inflationary cost increase of USD 20.6 million is foreseen in 2016-17 for personnel services based on estimates for the various components, including:

- a) Various levels of inflationary increases projected for professional and general service salaries in decentralized locations, taking into account factors such as inflation, exchange rate fluctuation and recent past patterns of increases. The EIU Consumer Price Index (CPI) forecasts range from a low of 2 percent increase for Liaison Offices and Europe non-headquarters locations to a high of 8 percent increase in Africa and Near East region in both 2016 and 2017, in line with the CPI for the countries where FAO has a significant presence. For example, inflation rates in Ghana, where FAO has a regional office, are forecasted at up to 13.7 percent for 2016 and 10.8 percent for 2017.
- b) A slight increase of 0.2 percent and 0.9 percent applied to professional staff salaries at headquarters in 2016 and 2017 respectively, in line with the EIU CPI forecasts for Italy.
- c) No increase for general service staff at headquarters applied for 2016, and a 1 percent increase for 2017, well below the EIU Average Nominal Wage Index currently at 1.2 percent in 2016 and 1.4 percent in 2017 and CPI in Italy.
- d) No increase applied for the cost of the basic medical insurance plan, taking account of the medical insurance contract.
- e) No increase applied for education grant costs in 2016, and a 2 percent increase applied for 2017.
- f) An annual increase of 2 percent is projected for entitlement travel costs, taking into account as an average the increase in the CPI for various duty stations, and the exchange rate fluctuation.
- g) No increase is anticipated for the current service cost of after-service staff benefits in the future actuarial valuations. The estimates in the final actuarial valuation reports as at 31 December 2014 and 2015 will be the base for 2016-17 expenditures. This remains a high-risk area to be managed during implementation.

150. The FAO governing bodies have been advised that staff costs are difficult to predict despite the refined information systems used to analyse current cost patterns and quantify trends⁴¹ and this leads to variances from the budgetary estimates prepared in advance of the budget implementation.

151. For example, as noted above in point g), the actuarial variations at end-2015 and end-2016 could introduce significant variances from the current assumptions. Similarly, exchange rate fluctuations for non-headquarters locations are difficult to predict. Any variance must be managed within the budgetary appropriation for the biennium, requiring programme adjustments during the implementation cycle to manage these unbudgeted costs, and adjustments are reflected under biennialization for the following biennium.

Goods and services

152. Total Goods and Services include other human resources, travel, general operating expenses, furniture, equipment, and present an estimated inflation of USD 10.2 million, equivalent to a 2.5 percent increase in the biennium. The CPI World (3.1 and 3.3 percent for 2016 and 2017, respectively) and CPI Italy (0.2 percent and 0.9 percent for 2016 and 2017) are applied to the costs of all locations to budget the total cost increase.

153. The PWB 2016-17 includes estimated requirements for goods and services generally based on the expected full implementation of the Programme of Work. In developing the cost increase estimates for goods and services, an analysis was undertaken of likely expenditure patterns by cost category based on the past expenditures. The expenditure pattern in 2016-17 for goods and services is assumed to be similar.

⁴¹ FC 113/10 Treatment of Staff Cost Variance

154. Trends and decisions that could impact the estimated cost increases will continue to be monitored and any significant changes to the cost increase assumptions and estimates will be reported to the governing bodies prior to the Conference in June 2015.

Lapse factor

155. The lapse factor is a reduction of the budgetary provision for the estimated cost of established posts to account for the fact that some of them will be vacant for some time as a result of staff movements. The lapse factor methodology, approved by the Council at its 107th session (November 1994), is based on three aspects: i) staff turnover rates, as measured through separations; ii) standard recruitment times; and iii) the extent to which separations are foreseen, so that recruitment action can be anticipated and the effective lead time thus reduced.

156. In accordance with the established methodology, a five-year moving average (i.e. 2010 through 2014 inclusive) has been applied to calculate staff turnover rates. This results in an average turnover rate of 5.97 percent for professional staff and 6.04 percent for general service staff. Compared to the five-year moving average used in the PWB 2014-15, the turnover rate has slightly decreased for professionals by 0.28 percent and slightly increased for general service by 0.07 percent.

157. The standard recruitment lead times applied are as follows: professional 30 weeks; and general service 22 weeks, compared to 42 weeks and 25 weeks lead time applied in 2014-15. The decrease in recruitment and turnover time is due to the streamlined selection and appointment procedures for professional and general service staff introduced in the 2014-15 biennium. The extent of separations which can be foreseen is derived from a review of the reasons for separation, the results of which are summarised in Table 5.

Table 5: Extent to which recruitment action can be foreseen

| Category of Separations | Professional | | General Service | |
|---|--------------------------|-----------------------|--------------------------|-----------------------|
| | Percentage of Population | No. of weeks foreseen | Percentage of Population | No. of weeks foreseen |
| Foreseen separations (e.g. mandatory retirements) | 34% | 30 weeks or more | 20% | 22 weeks |
| Foreseen separations for a limited period (e.g. resignations with notice) | 50% | 10 weeks | 51% | 7 weeks |
| Unforeseen separations | 16% | 0 weeks | 29% | 0 weeks |

158. These results have been applied to calculate the 2016-17 lapse factor of 1.69 percent for professional and 1.62 percent for general service costs respectively. Compared to the percentages used in 2014-15, the lapse factor decreased for the professional category (from 2.05 percent), and basically remained unchanged for general service category (from 1.64 percent). Given the overall minimal change, the new lapse factor has a marginal impact on staff costs when applied to all locations (country and liaison offices are exempt).⁴²

159. *Annex VII* provides an overview of the proposed net appropriation by Organizational Outcome before and after cost increases.

⁴² For country and liaison offices, the Conference approved in 2009 the removal of the lapse factor adjustment.

Elements for improving FAO's financial health, liquidity and reserves

Overview of balances on General and Related Funds

160. The financial health of the Organization can be appraised in relation to three components of the General and Related Funds as follows:

- a) the **General Fund** - reflects the accumulated historical result of all assessments on Members, miscellaneous and other income, offset by cumulative expenditures to execute the Programme of Work;
- b) the **Working Capital Fund (WCF)** - in accordance with Financial Regulation 6.2, the primary purpose of the WCF is to advance monies to the General Fund to finance expenditures pending receipt of assessed contributions to the budget. The WCF can also be used to finance emergency activities not contemplated in the budget;
- c) the **Special Reserve Account (SRA)** - established by Conference Resolution 27/77 in 1977 and expanded by Conference Resolutions 13/81 and 17/89 and further guidance from Conference in 2005,⁴³ the SRA protects the Programme of Work against the effects of unbudgeted extra costs arising from adverse currency fluctuations and unbudgeted inflationary trends. The SRA can also advance monies on a reimbursement basis to the General Fund.

161. The balances on General and Related Funds as at 31 December 2013⁴⁴ are summarized in Table 6.

Table 6: Balances on General and Related Funds as at 31 December 2013

| | USD millions |
|--|----------------|
| General Fund (deficit) | (875.4) |
| Working Capital Fund | 25.7 |
| Special Reserve Account | 17.6 |
| Total General and Related Funds (deficit) at 31 December 2013 | (832.1) |

162. The main factors which have contributed to the deficit balance on the General and Related Funds at 31 December 2013 are summarized below.

Unfunded past service costs for ASMC and TPF

163. Since 1997 the Organization has progressively recorded an increased value of the past service liability associated with the After-service Medical Coverage (ASMC) plan and the Terminal Payment Fund (TPF) as determined by the external actuarial valuation. The total unfunded liabilities reported at 31 December 2013 amounted to USD 765.9 million of which USD 693.7 million related to ASMC and USD 72.2 million related to TPF.

Unbudgeted expenditures

164. In the period since 1998, unbudgeted expenditures totalling USD 59.3 million have not been matched with funding and have contributed to a deterioration of the total General and Related Fund deficit:

- a) Conference Resolutions 7/97 and 3/99 authorized the Director-General to meet redeployment and separation costs over and above the net budgetary appropriations

⁴³ C2005/REP paragraph 101

⁴⁴ C 2015/5 A, page 5

approved for 1998-99 and 2000-01 respectively. The related costs of USD 10.6 million⁴⁵ and USD 8.4 million⁴⁶ were charged to the General Fund;

- b) payments in excess of the amounts determined by the actuarial valuation for the Terminal Payments Fund (TPF) amounting to USD 9.4 million⁴⁷ in 2002-03; USD 2.9 million in 2004-05;⁴⁸ and USD 8.2 million in 2006-07⁴⁹ were charged to the General Fund without matching funding;
- c) unbudgeted current service costs of USD 13.4 million⁷ for ASMC were charged to the General Fund without matching funding in 2006-07; and
- d) a charge of USD 6.4 million⁷ was made against the Special Reserve Account in 2006-07 for a portion of the unforeseen headquarters general service salary increase.

Requirements to stabilize the General Fund deficit

165. As reported in previous biennia, unless significant measures are adopted by the governing bodies to address unfunded liabilities, the accumulated deficit under the General Fund will continue to deteriorate.

Funding After-service Medical Coverage past service liability

166. The ASMC past service liability represents the Organization's share of the cost of medical insurance claims that it is required to pay on behalf of retirees over their expected remaining lifetimes based on their past services with FAO. It should be distinguished from current service cost,⁵⁰ which is a standard component of staff costs and is covered in each biennium's Regular Programme budgetary appropriations. The total unfunded ASMC liability reported at 31 December 2013 amounted to USD 693.7 million.

167. FAO's ASMC past service liability has never been met from the budgetary appropriations or the Programme of Work. Whilst the PWB provides funding for the current service costs (i.e. the amounts which will be earned by staff members during the current biennium), there is only a partial funding mechanism to fund that part of the liability earned by staff members in prior periods (i.e. the past service liability). Beginning with the 2004-05 biennium, the Conference approved separate additional assessments on Members towards funding the ASMC past service liability.

168. The Finance Committee and the Council have recognized that this is a complex and highly technical matter that concerns the entire UN system and has acknowledged and encouraged FAO administration's active involvement in the UN Common System's search for an optimum solution to this issue.⁵¹

169. In light of the ongoing review and discussions of this matter by both FAO's administration and the United Nations Common System, it is recommended to continue the approach previously approved of partial funding of USD 14.1 million towards the After-service Medical Coverage past service liability as a separate additional assessment for the biennium.

Funding Terminal Payments Fund past service liability

170. Termination payments are the end of service payments, including accrued annual leave, repatriation grant, termination indemnities and cost of repatriation travel that will arise when staff members separate from the Organization. The liability at any point of time reflects an actuarial estimate of amounts earned by existing staff members. The total unfunded TPF liability reported at 31 December 2013 amounted to USD 72.2 million.

⁴⁵ C2001/5, note 11

⁴⁶ C2003/5, note 10

⁴⁷ C2005/5A, note 10

⁴⁸ C2007/5A, note 9

⁴⁹ C2009/5A, footnote 6

⁵⁰ The current service cost arises each year as active staff members provide their services in exchange for these benefits to be paid in the future.

⁵¹ CL 150/4 paragraphs 13-14; CL 150/REP paragraph 17.iv

171. Whilst the PWB provides funding for the current service costs (i.e. the amounts which will be earned by staff members during the current biennium), there is no funding mechanism to fund that part of the liability earned by staff members in prior periods (i.e. the past service liability). This unfunded past service liability has never been met from the budgetary appropriations or the Programme of Work.

172. Given the emphasis to date on identifying measures to address the more significant unfunded past service liability for After-service Medical Coverage and the ongoing review and discussions on that matter, no incremental funding is requested to address the unfunded TPF liability in the 2016-17 biennium.

Requirements to address liquidity shortages

173. FAO continues to remain vulnerable to the timing of payments of major contributions and the Organization's recourse to external commercial borrowing to cover liquidity shortfalls during 2005, 2006 and 2007 was preceded by the full utilization of the Working Capital Fund plus any available balance of the Special Reserve Account. The Finance Committee considered the matter at its 154th session in May 2014 and looked forward to considering proposals for replenishing the reserves in the PWB 2016-17.⁵² This section quantifies the amounts to be considered for a one-time replenishment of the WCF and SRA reserves.

Replenishment of Working Capital Fund

174. The current authorized level of the Working Capital Fund was established in 1991 when it represented approximately one month of Regular Programme cash outflow. This level of USD 25.7 million is insufficient to cover even one month of current cash outflow (approximately USD 42 million). Preservation of the WCF at its authorized level means there is a risk of external commercial borrowing to deliver the approved programme of work.

175. An increase of the WCF from the currently authorized level of USD 25.8 million to at least one-month's Regular Programme Cash Flow (USD 42 million) would enable mitigation against potential vulnerability of the Organization with respect to delays in payments of Members Nations. Similarly, an authorized level covering two months' cash flow (USD 84 million) would provide a superior safety net. Given the continued vulnerability that the Organization experiences with respect to delays in the payments of Member Nations, it is recommended in this PWB that there be a one-time assessment on Members of USD 16.2 million to bring the WCF to USD 42 million.

Replenishment of Special Reserve Account

176. The authorized level of the SRA was set at 5 percent of the subsequent biennium budget by Conference Resolution 13/81 (equivalent to USD 50.3 million in the 2014-15 biennium), although it has not been replenished since 1991. The actual balance has depleted over the years primarily due to losses on exchange and was USD 17.6 million at 31 December 2013.

177. Based on a historical analysis of charges to the SRA,⁵³ and in particular since the implementation of split assessments, the present balance of the SRA is considered adequate to cover the risks of unbudgeted costs due to inflationary factors and to cover foreign exchange gains and losses which have a cash impact on the Organization's reserves. No funding request to increase the SRA is therefore presented in this PWB.

⁵² FC 154/5 and CL 149/4 paragraphs 12-13

⁵³ FC 154/5, paragraphs 14 to 16

Summary requirements

178. This section provides an overall view of the funding requirements to execute the 2016-17 Programme of Work under all sources of funds; the requirements to tackle the financial health, liquidity situation and reserves; and how the funding requirements for the programme of work would impact on future financial commitment of Members.

Funding requirements for Programme of Work

179. The PWB presents an integrated view of total resource requirements to carry out the Programme of Work, in the form of assessed contributions to fund the net budgetary appropriation, and estimated extrabudgetary resources from voluntary contributions, as summarized in Table 7.

180. For the *net budgetary appropriation*, the starting point is the 2014-15 level of USD 1,005.6 million. As explained in PWB Section A, resources were reallocated within the existing budget level to higher priority areas. In addition, a 0.6 percent real increase of USD 6.1 million is proposed to bring the level of the Technical Cooperation Programme (Chapter 7) to 14 percent of the net budgetary appropriation in line with Conference Resolution 9/89. Cost increases are estimated at USD 34.3 million to maintain purchasing power in 2016-17. Therefore, the total proposed net budgetary appropriation level to be funded from assessed contributions in 2016-17 would be USD 1,046.1 million, a 4 percent increase over the 2014-15 net budgetary appropriation at the 2014-15 budget rate of exchange.

181. The level of *extrabudgetary resources* reflects the delivery estimates of voluntary contributions of USD 1,550.1 million in 2016-17. This comprises voluntary contributions provided by Members and other partners through direct support to the Organization, or through Trust Funds to provide technical and emergency assistance to governments for clearly defined purposes linked to the Programme of Work.

Table 7: Cumulative funding requirements in 2016-17 for the Programme of Work (in USD millions at the 2014-15 budget rate of exchange of 1 Euro = USD 1.30)

| Programme of Work | Amount |
|---|----------------|
| Requirements under the net appropriation work programme | |
| Budgetary requirements at 2014-15 cost levels | 1,005.6 |
| 0.6 percent real increase | 6.1 |
| <i>Net budgetary appropriation for 2016-17 at 2014-15 cost levels</i> | <i>1,011.7</i> |
| Incremental requirements - Cost Increases | 34.3 |
| Programme of Work net budgetary appropriation for 2016-17 | 1,046.1 |
| Percent change in net appropriation | 4.0% |
| Total requirement under voluntary contributions | 1,550.1 |
| Total integrated Programme of Work in 2016-17 | 2,596.2 |

Improving financial health, liquidity and reserves

182. The requirements to improve FAO's financial health, liquidity and reserves are summarized as follows:

- a) continue the approach previously approved of partial funding of USD 14.1 million towards the After-service Medical Coverage past liability as a separate additional assessment for the biennium in light of the ongoing discussions on the recurring incremental requirements to address staff-related liabilities; and
- b) one-time assessment on Members of USD 16.2 million to bring the Working Capital Fund to the level of at least one month Regular Programme cash flow (USD 42 million).

Impact on assessments of funding requirement under the programme of work

183. As in past biennia, the assessed contributions in 2016-17 will be based on the biennial net appropriation plus any other agreed funding to restore the financial health of the Organization. The impact on assessments of the net appropriation funding requirement for the Programme of Work is outlined below.

184. In calculating Members' assessed contribution, Financial Regulation 5.2(a) foresees that the resolution on the Budgetary Appropriation should include a deduction for estimated Miscellaneous Income. The Miscellaneous Income estimate for 2016-17 is set at the same level as in 2014-15, USD 5.0 million.

185. The overall 2016-17 funding requirement for the budget funded from assessed contributions after deduction of miscellaneous income amounts to USD 1,041.1 million, representing a 4 percent increase in the level of net appropriation assessments compared with the present biennium.

186. Under the split assessment methodology adopted by Conference Resolution 11/2003,⁵⁴ assessments are due in US dollars and Euros, in accordance with the estimated expenditures in each of these currencies.

187. Table 8 reflects the overall impact on assessments of the proposed 2016-17 budget, compared with the approved US dollar and Euro contributions for 2014-15. It demonstrates that the increase in assessments of 4 percent comprises a 6.4 percent increase in US dollar assessments and a 1.6 percent increase in Euro assessments.

Table 8: Assessed contributions from Members in 2014-15 and 2016-17

| Biennium | Funding Level for | USD million at 1 Euro = USD 1.30 | USD millions | Euro millions |
|---|--|----------------------------------|--------------|---------------|
| 2014-15 | Implementation of Programme of Work funded from assessed contributions | 1,005.6 | 519.2 | 374.2 |
| | - Less Miscellaneous Income | (5.0) | (5.0) | 0 |
| Total Assessments paid by Members in 2014-15 | | 1,000.6 | 514.2 | 374.2 |
| 2016-17 | Implementation of Programme of Work funded from assessed contributions | 1,046.1 | 552.1 | 380.0 |
| | - Less Miscellaneous Income | (5.0) | (5.0) | 0 |
| Total Assessments proposed to Members in 2016-17 | | 1,041.1 | 547.1 | 380.0 |
| <i>Percent difference from 2014-15</i> | | <i>4.0%</i> | <i>6.4%</i> | <i>1.6%</i> |

188. The above budget figures have been calculated at the budget rate of exchange of the 2014-15 biennium, i.e. Euro 1 = USD 1.30.

189. As per established practice, the budget rate of exchange for the 2016-17 biennium was set according to the rate at the time this document was prepared of Euro 1 = USD 1.22. This results in a decline in the proposed net appropriation for implementing the programme of work, from USD 1,046.1 million to USD 1,015.7 million, when expressed in the Organization's functional currency, the US dollar.

190. It is recalled that the assessed split contributions in Euros and US dollars do not vary under different exchange rate conditions. This is demonstrated in Table 9 by applying the funding requirements of the programme of work for 2016-17 tabulated above at the revised Euro/USD exchange rate of Euro 1 = USD 1.22. The estimated US dollar portion of the expenditures for implementing the programme of work under the new budget rate of 1.22 is established at 54 percent with the remaining 46 percent in Euro.

⁵⁴ Financial Regulation 5.6 refers.

Table 9: Impact of the change in the budget rate of exchange under split assessment (USD/Euro million)*

| | Euro 1 = USD 1.30 | Euro 1 = USD 1.22 |
|---|------------------------------|------------------------------|
| Assessments due in US dollars for 2016-17 programme of work | 552.1 | 552.1 |
| Assessments due in Euro for 2016-17 programme of work | 380.0 | 380.0 |
| Assessed contributions due in US dollars | 552.1 | 552.1 |
| Assessed contributions due in Euro and expressed in US dollars at two distinct budget rates of exchange | 494.0 | 463.6 |
| Total expressed in US dollars | 1,046.1 | 1,015.7 |

*Before miscellaneous income deduction of USD 5 million which is estimated 100% in US dollars

DRAFT RESOLUTION FOR ADOPTION BY THE CONFERENCE

RESOLUTION __/2015

Draft Budgetary Appropriations 2016-17**THE CONFERENCE,**

Having considered the Director-General's Programme of Work and Budget;

Having considered the proposed total net appropriation of USD 1,046,069,000 for the financial period 2016-17 at the 2014-15 rate of Euro 1= USD 1.30 which assumes US dollar and Euro expenditure equal to USD 552,088,000 and Euros 379,985,000;

Having considered that the above net appropriation is equivalent to USD 1,015,670,000 at the budget rate of Euro 1 = USD 1.22 established for 2016-17 after translation of the Euro portion;

1. **Approves** the Programme of Work proposed by the Director-General for 2016-17 as follows:

a) Appropriations are voted at a rate of Euro 1 = USD 1.22 for the following purposes:

| | USD |
|--|----------------------|
| Chapter 1: Contribute to the eradication of hunger, food insecurity and malnutrition | 83,773,000 |
| Chapter 2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner | 202,695,000 |
| Chapter 3: Reduce rural poverty | 64,881,000 |
| Chapter 4: Enable more inclusive and efficient agricultural and food systems | 105,604,000 |
| Chapter 5: Increase the resilience of livelihoods to threats and crises | 50,279,000 |
| Chapter 6: Technical Quality, Knowledge and Services | 58,704,000 |
| Chapter 7: Technical Cooperation Programme | 144,231,000 |
| Chapter 8: Outreach | 74,793,000 |
| Chapter 9: Information Technology | 35,568,000 |
| Chapter 10: FAO Governance, Oversight and Direction | 81,366,000 |
| Chapter 11: Efficient and Effective Administration | 73,742,000 |
| Chapter 12: Contingencies | 600,000 |
| Chapter 13: Capital Expenditure | 16,916,000 |
| Chapter 14: Security Expenditure | 22,518,000 |
| Total Appropriation (Net) | 1,015,670,000 |
| Chapter 15: Transfer to Tax Equalization Fund | 90,100,000 |
| Total Appropriation (Gross) | 1,105,770,000 |

- b) The appropriations (net) voted in paragraph (a) above minus estimated Miscellaneous Income in the amount of USD 5,000,000 shall be financed by assessed contributions from Member Nations of USD 1,010,670,000 to implement the Programme of Work. Such contributions shall be established in US dollars and Euro and shall consist of USD 547,088,000 and Euro 379,985,000. This takes into account a split of 54% US dollars and 46% Euro for the appropriations (net) and of 100% US dollars for Miscellaneous Income.
- c) An additional amount of USD xxx shall also be financed by assessed contributions from Member Nations to fund the After-service Medical Coverage (ASMC) past service liability. The contributions shall be established in US dollars and Euro, taking into account a split of 33% US dollars and 67% Euro, and shall therefore amount to USD xxx and Euro yyy.

-
- d) The total contributions due from Member Nations to implement the approved Programme of Work and to fund the amortization of ASMC shall amount to USD xxx and Euro yyy. Such contributions due from Member Nations in 2014 and 2015 shall be paid in accordance with the scale of contributions adopted by the Conference at its Thirty-ninth session.
 - e) In establishing the actual amounts of contributions to be paid by individual Member Nations, a further amount shall be charged through the Tax Equalization Fund for any Member Nation that levies taxes on the salaries, emoluments and indemnities received by staff members from FAO and which are reimbursed to the staff members by the Organization. An estimate of USD 8,500,000 has been foreseen for this purpose.
2. **Encourages** Members to provide voluntary contributions to facilitate achievement of the Strategic Objectives and implementation of the integrated Programme of Work under the results framework.

(Adopted on _____ 2015)

D. Results frameworks and 2016-17 resource allocations

191. This section presents, for each budgetary Chapter (five Strategic Objectives, Objective 6, four Functional Objectives, four Special Chapters) the areas of focus and enhanced delivery in 2016-17 at the Outcome level, with indicators and targets for achievement by the end of the biennium. As determined in the review of the MTP 2014-17, the results frameworks are unchanged, with the addition of a new Outcome on FAO's work on nutrition in Objective 6. The indicators and targets for the Outputs will be updated at the end of 2015 based on experience and alignment with country programming frameworks.

192. The areas of focus identified, including those set out in the regional dimension following the budgetary chapters, take into account the recent trends and developments, priorities expressed by the governing bodies, the experience with implementing the PWB 2014-15, and the areas of emphasis and de-emphasis set out in Section A.

Strategic Objective 1: Contribute to the eradication of hunger, food insecurity and malnutrition

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 1.01 | 50,665 | 106,452 | 157,118 |
| 1.02 | 14,077 | 28,602 | 42,678 |
| 1.03 | 17,465 | 76,759 | 94,224 |
| Total | 82,207 | 211,813 | 294,020 |

193. The sustainable eradication of hunger, food insecurity and malnutrition requires that governments and non-state actors work in a more coordinated and focused manner to address the root causes that keep the hungry, food insecure and malnourished trapped in a vicious cycle of chronic deprivation. FAO contributes to this objective by working in partnership with governments and other development actors at global, regional and national levels towards the creation of an improved enabling policy and institutional environment for food security and nutrition. As a global organization, FAO uses its work at global and regional levels as a lever for raising political commitment and developing capacities at country level in terms of:

- a) explicit political commitment in the form of policies, investment programmes, legal frameworks and the allocation of necessary resources to eradicate hunger, food insecurity and malnutrition (Outcome 1.1);
- b) strengthened governance, coordination mechanisms and partnerships to improve participation and coordination across sectors and stakeholders (Outcome 1.2); and
- c) evidence-based policy processes supported by better information on food security and nutrition situations, enhanced tracking and mapping of actions, and improved impact assessment (Outcome 1.3).

Focus and enhanced delivery

194. Under Outcome 1.1 on political commitment and action towards the eradication of hunger, food insecurity and malnutrition, FAO will further strengthen and deepen its contribution to various global, regional and national policy processes in order to leverage the momentum created by the Secretary-General's Zero Hunger Challenge. In particular FAO will contribute to the advancement of the Post-2015 Sustainable Development Goals⁵⁵ and the promotion of the Rome Declaration on

⁵⁵ The SDGs are to be endorsed by the General Assembly in September 2015.

Nutrition and Framework for Action⁵⁶ as a guiding cross-sectorial framework for assisting countries and regional organizations in attaining their hunger eradication goals. To enhance delivery of results at country level, FAO will build on ongoing regional Zero Hunger Initiatives in Africa, Latin America and the Caribbean, and Asia and the Pacific for advancing an agenda of policy and institutional change at country level.⁵⁷

195. In line with the recommendations of the Technical Committees and Regional Conferences during 2014, increased attention will also be given to promoting a more “nutrition-sensitive” development agenda among sector stakeholders and development partners. Building on existing global guidelines,⁵⁸ the focus will be on promoting policy and institutional change and nutrition-sensitive investments within and across various sectors, including: agriculture, livestock, forestry, fisheries and aquaculture, social protection and education. FAO will enhance delivery of cross-cutting issues through a more collaborative and corporate approach across the various relevant Strategic Objectives.

196. The achievement of the policy and institutional change that is the aim of Outcome 1.1 depends on the creation of more inclusive cross-sector and multi-stakeholder governance mechanisms (Outcome 1.2). At global level, FAO will continue to play a key role as facilitator of inclusive multi-stakeholder platforms (e.g. CFS), convener of policy-setting meetings (e.g. COAG, COFI and COFO)⁵⁹ and ‘honest broker’ within a number of technical sectors relevant to food security and nutrition. It will strengthen its delivery by enhancing its partnership with other development partners within the context of various multilateral initiatives like the UN Standing Committee on Nutrition (UN-SCN), the UN High-Level Task Force (HLTF) on the Global Food Security Crisis, the Scaling Up Nutrition (SUN) movement, the Renewed Effort Against Child Hunger (REACH) initiative, the post-2015 development agenda, and follow-up to Rio+20 UN Zero Hunger Challenge (ZHC).

197. A similar approach will be adopted at regional and country levels through strengthened partnership with for example the African Union (AU), the Association of Southeast Asian Nations (ASEAN), the Community of Latin American and Caribbean States (CELAC), and other regional and national stakeholders, including parliamentary alliances, in order to facilitate and create greater political momentum for cross-sectorial and multi-stakeholder partnership and action at country level.

198. Underpinning Outcomes 1.1 and 1.2 is the increased use of evidence in policy processes (Outcome 1.3). FAO will continue to play a key role in the generation and dissemination of high-quality and timely data, information and analysis in the food security and nutrition domain. However, apart from continuing its work on strengthening capacities for monitoring and analyzing food security and nutrition situations, it will place a stronger emphasis on assessing the effects that various sectorial and cross-sectorial policies, programmes and institutional frameworks have on food security and nutrition and engaging in dialogue with decision-makers on the implications of various policy and institutional options in specific country and regional contexts.

⁵⁶ The Rome Declaration on Nutrition and the Framework for Action were adopted by the Second International Conference on Nutrition in November 2014.

⁵⁷ For example, in support of member countries of the Community of Latin American and Caribbean States (CELAC) FAO developed with the Latin American Integration Association (ALADI) and the Economic Commission for Latin America and the Caribbean (ECLAC) a regional Plan for Food Security, Nutrition and Hunger Eradication by 2025 to help CELAC countries design national plans for eradicating hunger and extreme poverty.

⁵⁸ For example, the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of National Food Security; on Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security; on Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication; and the Principles for Responsible Investment in Agriculture and Food Systems.

⁵⁹ Committees on Agriculture (COAG), Fisheries (COFI), Forestry (COFO)

| STRATEGIC OBJECTIVE 1 | | | |
|--|--|------------------------------|------------------------------|
| CONTRIBUTE TO THE ERADICATION OF HUNGER, FOOD INSECURITY AND MALNUTRITION | | | |
| Indicators (and source) of achieving Objective | | | |
| Hunger - Prevalence of undernourishment (percent) (source: FAO) | | | |
| Food Insecurity - Prevalence of mild, moderate and severe food insecurity (percent) (source: FAO, Voices of the Hungry Score – to be developed) | | | |
| Malnutrition - Percentage of children under 5 years of age who are stunted (percent) (source: WHO) | | | |
| OUTCOME 1.1: Member countries and their development partners make explicit political commitments in the form of policies, investment plans, programmes, legal frameworks and the allocation of necessary resources to eradicate hunger, food insecurity and malnutrition. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 1.1.A | Number of countries with improved comprehensive sectoral and/or cross-sectoral policies/strategies and investment programmes, that are supported by a legal framework, <i>measured by:</i> | 6 | 15 |
| | <ul style="list-style-type: none"> – <i>existence of a current national cross- or multiple sectoral policies/strategies, which includes an explicit objective to improve food security and/or nutrition</i> – <i>existence of a national government cross-or multiple sectoral investment programmes that addresses food security and/or nutrition</i> – <i>level of comprehensive government policy and programming response to hunger, food insecurity and malnutrition</i> – <i>existence of legal protection of the Right to Adequate Food</i> | | |
| 1.1.B | Number of countries with improved resource allocation (in terms of adequacy, efficiency and effectiveness) to eradicate hunger, food insecurity and malnutrition, <i>measured by:</i> | 8 | 24 |
| | <ul style="list-style-type: none"> – <i>adequacy of public expenditure to achieve food security and nutrition targets</i> – <i>adequacy of government human resources to achieve food security and nutrition targets</i> – <i>adequacy of food security/nutrition knowledge enhancement efforts</i> – <i>effective and efficient resource use</i> | | |
| Outputs | | | |
| 1.1.1 | Improving capacities of governments and stakeholders for developing sectoral and cross-sectoral policy frameworks and investment plans and programmes for food security and nutrition. | | |
| 1.1.2 | Improving capacities of governments and stakeholders to develop and implement legal frameworks and accountability mechanisms to realize the right to adequate food and to promote secure and equitable access to resources and assets. | | |
| 1.1.3 | Improving capacities in governments and stakeholders for human resource and organizational development in the food security and nutrition domain. | | |
| 1.1.4 | Improving capacity of governments and other stakeholders to enhance the adequacy, efficiency and effectiveness of public resource allocation and use for food security and nutrition. | | |
| OUTCOME 1.2: Member countries and their development partners adopt inclusive governance and coordination mechanisms for eradicating hunger, food insecurity and malnutrition. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 1.2.A | Number of countries with improved governance and coordination mechanisms for eradicating hunger, food insecurity and malnutrition, <i>measured by:</i> | 8 | 24 |
| | <ul style="list-style-type: none"> – <i>existence of high-level food security and nutrition policy setting mechanism involving relevant ministries and public institutions</i> – <i>existence of national accountability mechanism (including independent national human rights institutions addressing violations of Right to Food)</i> – <i>existence of well-functioning governmental coordination mechanisms to address food security and nutrition</i> – <i>level of multistakeholder participation and civil society engagement.</i> | | |

Strategic Objective 2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 2.01 | 60,281 | 248,433 | 308,714 |
| 2.02 | 48,109 | 61,054 | 109,163 |
| 2.03 | 33,619 | 35,859 | 69,477 |
| 2.04 | 57,919 | 51,032 | 108,950 |
| Total | 199,927 | 396,377 | 596,305 |

199. Achieving sustainable agricultural production intensification, while preserving or improving the natural resources base and related ecosystem services and goods, requires coordinated cross-sectoral action, as well as further integration of the three environmental, economic and social dimensions of sustainability in all agricultural sectors including crop production, livestock, forestry, aquaculture and fisheries. For this reason, FAO supports member countries to increase productivity through: i) optimizing resource-use efficiency; ii) conserving, protecting, and enhancing natural resources; iii) improving equity, access to productive assets, and responsible consumption; iv) increasing resilience, in particular to climate change; and v) improving governance. FAO provides a rich array of global work that supports country capacity, as well as national, regional and global assessments of progress toward increased agricultural production and productivity and sustainable management of natural resources. This entails:

- a) practices that increase and improve agricultural sector production in a sustainable manner adopted by producers and natural resource managers (Outcome 2.1);
- b) strengthened governance in member countries for the transition to sustainable agricultural sector production systems (Outcome 2.2);
- c) international and regional instruments and related governance mechanisms needed to improve and increase agricultural production in a sustainable manner (Outcome 2.3);
- d) evidence-based decision-making in the planning and management of the agricultural sectors and natural resources, through monitoring, statistics, and analysis (Outcome 2.4).

Focus and enhanced delivery

200. FAO's work will focus on promoting sustainable agricultural production intensification, while preserving or improving the natural resources base and related ecosystem services and goods. This will require increased emphasis on coordinated cross-sectoral action, as well as further integration of the environmental, economic and social dimensions of sustainability in all agricultural sectors including crop production, livestock, forestry, fisheries and aquaculture.

201. Under Outcome 2.1, FAO will work on identifying and promoting innovative practices and technologies that increase and improve agricultural sector production in a sustainable manner, and will work with countries to facilitate their adoption, as identified by ARC and LARC. There will be an emphasis on integrated and efficient production systems, such as the rice-fish systems implemented jointly in Asia by the Regional Initiatives on rice and on Blue Growth; multiple dimensions of agriculture, through Globally Important Agricultural Heritage Systems (GIAHS); integrated resource management across landscapes through the Regional Initiative in Africa and through a project "from Ridges to Reefs in coastal zones". FAO will help countries recognize the degree to which good agricultural management practices can secure ecosystem benefits, thus aligning national commitments with respect to biodiversity and agriculture.

202. The work on GIAHS under Outcome 2.1 primarily contributes to increased and improved provision of goods and services from agriculture, forestry and fisheries in a sustainable manner, and

particularly to ecosystem management through integrated and multi-sectoral approaches. Some of the major components of the work done under GIAHS include the identification and safeguarding globally and locally of significant agricultural biodiversity, in-situ conservation and enhancement of rural livelihoods; the promotion of dynamic conservation concept and dissemination. The GIAHS concept has been supported by the Programme and Finance Committees and the Council, which requested that the related budgetary implications be submitted to Members' review before the 39th FAO Conference in June 2015.⁶⁰ In this regard, based on preliminary estimates of requirements, Regular Programme resources will be made available for the GIAHS Secretariat to support one P-5 and one G-4 level staff during 2016-17. This will enable the smooth implementation of the functions of the GIAHS Secretariat, including oversight, management, coordination and implementation of the concept and its activities, with the understanding that the work on GIAHS will primarily rely on extrabudgetary funding.

203. While FAO will promote and strengthen cross-sectoral approaches, it will also continue to develop important sector-specific sustainability approaches and frameworks, such as "save and grow" for sustainable crop production intensification and sustainable land management, as recommended by ARC; sustainable forest management, as highlighted by COFO; and reducing emissions from deforestation and forest degradation (REDD+). The focus will be on implementing these approaches and frameworks in an integrated manner and build a common vision on sustainable food and agriculture at country level.

204. In addition, as recommended by the Regional Conferences for Asia and the Pacific and for the Near East and COAG, FAO will enhance its support to countries to identify and promote innovative agricultural practices and technologies that strengthen adaptation to climate change. The Regional Initiatives on integrated management of agricultural landscapes in Africa and water scarcity in the Near East and North Africa place significant emphasis in two main issues related to climate change: sustainable production intensification and management of natural resources, in particular land and water.

205. Under outcome 2.2, FAO plays a key role in supporting countries to develop cross-sectoral strategies and policies that reconcile the increase in food production with the conservation of land, water, aquatic and forest resources, and with biodiversity and ecosystem services, in line with the Post-2015 development agenda. FAO's work will aim at engaging with countries and support multi-sector and multi-stakeholder policy dialogues focusing on an enabling environment that supports a more sustainable agriculture, respecting, and in agreement with, country demands and priorities.

206. FAO will support countries to adopt international and regional instruments and related governance mechanisms for sustainable production systems, under Outcome 2.3. APRC called upon FAO to continue to engage in the Global Agenda for Sustainable Livestock and UN-REDD; COFO requested to support the implementation of international governance mechanism and related instruments for Sustainable Forestry Management; and iNARC recommended to broaden and deepen the implementation of the Code of Conduct for Responsible Fisheries and related instruments.

207. Regarding climate change, FAO was instrumental in the creation and launch of the global Alliance for Climate-Smart Agriculture and now hosts its Secretariat, partnering with a large number of countries and international, national and non-governmental entities. Small Island Developing States (SIDS) are particularly vulnerable and will receive special attention, including through increased resources under the TCP. The Organization has also provided, over the years, inputs to the UNFCCC process to stress the importance of considering agriculture. This will continue and could become more important following the outcome of the UN Climate Change Conference to be held in Paris in December 2015.

208. Under Outcome 2.4, FAO will continue to support countries in strengthening policy-making and reporting capacities through improved data and information in the areas of agriculture, food security and nutrition, which will be of vital importance for countries to monitor their targets against the Sustainable Development Goals. In addition, CFS recommended FAO to take the lead in an effort

⁶⁰ CL 150/REP paragraph 13

to improve fish stock assessment tools and promote sustainable fisheries management approaches and aquaculture development for the contribution of fish to food security and nutrition; and the Informal Regional Conference for North America (iNARC) called upon FAO to make the most of its comparative advantage in forest resource monitoring and information and developing and promoting sustainable forest management practices, strategies and guidelines, and enhance integration of work on forests with other issues, in particular food security and water.

| STRATEGIC OBJECTIVE 2 | | | |
|---|--|------------------------------|-----------------------------|
| INCREASE AND IMPROVE PROVISION OF GOODS AND SERVICES FROM AGRICULTURE, FORESTRY AND FISHERIES IN A SUSTAINABLE MANNER | | | |
| Indicators (and source) of achieving Objective | | | |
| <p>Production and productivity - Crops net per capita production index number (2004-2006 = 100), including fibre; Livestock net per capita production index number, including wool (2004-2006 = 100); Fish production per capita (tonne/cap) (both capture and aquaculture); Roundwood production per capita (m³/cap); Agriculture value added per worker (constant 2,000 USD); Total factor productivity (TFP) growth in agriculture has remained stable or increased, since the last reporting period (source of all above: FAOSTAT); Area with improved agricultural productivity and crop suitability in agriculture (Source: Global Agro-Ecological Zones – GAEZ)</p> <p>Environment – Area of moderately and severely degraded land, as share (%) of total agricultural land and forest cover (source: FAO Global Land Degradation Information System [GLADIS/LADA]); Soil nutrient balances (source: FAOSTAT); Percentage of fish stocks in safe biological limits (source: FAO); Forest area p.a. growth (percentage) (source: FAOSTAT); Forest area primarily designated for provision of environmental and social services (source: FRA); GEF benefits index (GBI) for biodiversity (source: World Bank)</p> | | | |
| OUTCOME 2.1: Producers and natural resource managers adopt practices that increase and improve agricultural sector production in a sustainable manner. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target(end 2017) |
| 2.1.A | Number of countries reporting an increase in area under Sustainable Land Management (SLM), as a share (%) of total agricultural and forest area, since the last reporting period. <i>– Indicator is being developed</i> | | |
| 2.1.B | Number of countries where the crop yield gap has decreased since the last reporting period. | 15 | 22 |
| 2.1.C | Number of countries where the human-edible protein balance in livestock production (output/input ratio) increased or remained stable, since the last reporting period. | 124 | 85 |
| 2.1.D | Number of countries with an increase in area of forests under Forest Management Plans, as share (%) of total forest area, since the last reporting period. | 40 | N/A |
| 2.1.E | Number of countries that have improved sustainable fisheries/aquaculture practices [as reported in the Code of Conduct of Responsible Fisheries (CCRF) questionnaire]. | 9 | 15 |

| STRATEGIC OBJECTIVE 2 INCREASE AND IMPROVE PROVISION OF GOODS AND SERVICES FROM AGRICULTURE, FORESTRY AND FISHERIES IN A SUSTAINABLE MANNER | | | |
|---|---|------------------------------|------------------------------|
| 2.1.F | Number of countries where the area of natural vegetation and protected ecosystems lost to agricultural expansion has decreased since the last reporting period. | 15 | 22 |
| Outputs | | | |
| 2.1.1 | Innovative practices for sustainable agricultural production (including traditional practices that improve sustainability, such as those listed as Globally Important Agricultural Heritage Systems) are identified, assessed and disseminated and their adoption by stakeholders is facilitated. | | |
| 2.1.2 | Integrated and multi-sectoral approaches for ecosystems valuation, management and restoration are identified, assessed, disseminated and their adoption by stakeholders is facilitated. | | |
| 2.1.3 | Organizational and institutional capacities of public and private institutions, organizations and networks are strengthened to support innovation and the transition toward more sustainable agricultural production systems. | | |
| OUTCOME 2.2: Stakeholders in member countries strengthen governance – the policies, laws, management frameworks and institutions that are needed to support producers and resource managers – in the transition to sustainable agricultural sector production systems. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 2.2.A | Number of countries with high-level strategic planning/policy documents that foster sustainable, agricultural production and natural resources management, <i>measured by:</i> – extent to which the main national development programme addresses agricultural sector production systems in an integrated and balanced way across the related sub-sectors or disciplines – extent to which the main national development programme promotes increased agricultural production in an environmentally sustainable and socially equitable manner – extent to which a specific national policy, plan or framework on gender equity, equality and/or mainstreaming exists and considers gender within agricultural production intensification strategies (i.e. crops, livestock, fisheries and aquaculture, forestry, other natural resources). | 7 | 18 |
| 2.2.B | Number of countries with improved public service organizations and inter-organizational mechanisms for the formulation and implementation of national policies, strategies and legislation that foster sustainable agricultural production and natural resources management, <i>measured by:</i> – extent to which political will and finances are adequate for increased agricultural production in a sustainable manner – extent to which adequate mechanisms exist at national level for coordination, management and monitoring of the implementation of national strategic plans, policies and laws related to sustainable, integrated and equitable agricultural sector production systems – extent to which national agricultural sector policies/strategies that were developed or revised during the last 2 years were done so in a transparent, participatory, and evidence-based manner | 4 | 11 |
| Outputs | | | |
| 2.2.1 | Countries are supported to analyse governance issues and options for sustainable agricultural production and natural resources management. | | |
| 2.2.2 | Countries are supported to strengthen national governance frameworks that foster sustainable agricultural production and natural resources management. | | |
| 2.2.3 | Public service organizations and inter-organizational mechanisms are supported for the implementation | | |

| STRATEGIC OBJECTIVE 2 | | | |
|--|--|--------------------------|--------------------------|
| INCREASE AND IMPROVE PROVISION OF GOODS AND SERVICES FROM AGRICULTURE, FORESTRY AND FISHERIES IN A SUSTAINABLE MANNER | | | |
| of national policies, strategies and legislation that foster sustainable agricultural production and natural resources management. | | | |
| OUTCOME 2.3: Stakeholders endorse/adopt international (including regional) instruments and support related governance mechanisms for sustainable agricultural production systems. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 2.3.A | Number of countries that have demonstrated a strong level of commitment/support to selected FAO international instruments, <i>measured by</i> : – <i>whether the country has issued a formal ratification, accession, acceptance, or signature of the FAO binding instruments</i> – <i>whether the country has made any official declarations to endorse implementation of the FAO non-binding instruments</i> | 119 | 131 |
| 2.3.B | Number of countries that demonstrate a strong level of support/commitment to selected FAO governance mechanisms, <i>measured by</i> : – <i>number of countries or contracting parties that met mandatory contributions of the mechanisms</i> | 84 | 121 |
| 2.3.C | Number of countries that have enhanced their national legal frameworks by integrating provisions of selected FAO international (binding and non-binding) instruments. | 27 | 29 |
| Outputs | | | |
| 2.3.1 | Stakeholders are supported to participate in, update existing and develop new international (including regional) instruments and mechanisms under the auspices of FAO. | | |
| 2.3.2 | Stakeholders are supported to enhance recognition and consideration of the agriculture sectors in international instruments, governance mechanisms, processes and partnerships that are relevant to FAO's mandate, yet not under the auspices of FAO. | | |
| 2.3.3 | Stakeholders are supported to facilitate implementation and application of international (including regional) instruments and the recommendations/requirements of related governance mechanisms. | | |
| OUTCOME 2.4: Stakeholders make evidence-based decisions in the planning and management of the agricultural sectors and natural resources to support the transition to sustainable agricultural sector production systems through monitoring, statistics, assessment and analysis. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 2.4.A | Number of countries with improved response rates and/or quality of contributions to the global collection of data on agriculture and natural resources, during the reporting period, <i>measured by</i> : – <i>average response rates to a defined set of global data collection exercises on agriculture (crops, livestock, fisheries/aquaculture and forestry) and natural resources that were conducted during the reporting period (selected annual and data questionnaires issued by FAO)</i> – <i>average quality ratings for the data sets submitted as part of a defined set of global data collection exercises on agriculture (crops, livestock, fisheries/aquaculture and forestry) and natural resources that were conducted during the reporting period (selected annual data questionnaires issued by FAO)</i> | 4 | 4 |

| STRATEGIC OBJECTIVE 2 | | | |
|--|---|----|----|
| INCREASE AND IMPROVE PROVISION OF GOODS AND SERVICES FROM AGRICULTURE, FORESTRY AND FISHERIES IN A SUSTAINABLE MANNER | | | |
| 2.4.B | Number of countries that produce Environmental-Economic Accounts related to the assessment of agriculture, fisheries and forestry activities (conforming to SEEA-AGRI standards. | 5 | 15 |
| 2.4.C | Number of countries that use statistics moderately or extensively in policy-making processes pertaining to agriculture and natural resources management since the last reporting period, according to expert opinion. | 71 | 79 |
| Outputs | | | |
| 2.4.1 | Relevant data and information is assembled, aggregated, integrated and disseminated, and new data is generated through analyses and modelling, jointly with partners. | | |
| 2.4.2 | Methodologies, norms, standards, definitions and other tools for the collection, management, aggregation and analysis of data are formulated and disseminated. | | |
| 2.4.3 | Capacity development support is provided to institutions at national and regional levels to plan for and conduct data collection, analyses, application and dissemination. | | |

Strategic Objective 3: Reduce rural poverty

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 3.01 | 40,338 | 92,991 | 133,328 |
| 3.02 | 14,955 | 4,306 | 19,261 |
| 3.03 | 8,876 | 4,049 | 12,926 |
| Total | 64,169 | 101,346 | 165,515 |

209. Poverty is a major cause of food insecurity and malnutrition. Three quarters of the world's poor live in rural areas and most depend on agriculture. Eradication of poverty by 2030 is the first of the global priorities of the Post-2015 development agenda and the sustainable development goals (SDGs). FAO is helping fight rural poverty by promoting an integrated approach to rural development, which seeks to improve rural livelihoods through interventions aiming at dynamizing and diversifying the rural economy at large. Through the integrated approach, FAO brings together six key areas of programmatic support: i) strengthening of rural institutions and producer organizations and promoting people's empowerment; ii) improving smallholder productivity and market access; iii) enabling equal access and sustainable management of productive resources; iv) improving rural infrastructure and services; v) enhancing farm and non-farm decent rural employment opportunities; and vi) strengthening social protection for rural populations. FAO puts special emphasis on addressing the needs of rural women and youth.

210. FAO's strategic programme on rural poverty reduction aims to achieve three main outcomes:

- a) enhance access to productive resources, services, organizations and markets for the rural poor (Outcome 3.1);
- b) enhance their decent employment opportunities (Outcome 3.2); and
- c) strengthen social protection systems (Outcome 3.3).

Focus and enhanced delivery

211. These strategic priorities are consistent with those identified by Regional Conferences and Technical Committees in 2014. The Committee on Forestry, for example, requested FAO to support forest-based enterprises and organizations of small-scale forest and farm producers *inter alia* through the Forest and Farm Facility. Similarly, the Regional Conference for North Africa and the Near East endorsed FAO's approach to enhance the livelihoods of rural people, smallholders and vulnerable populations, while the Regional Conference for Europe and Central Asia requested FAO to continue its support to smallholder family farmers in adopting practices of sustainable intensification. These recommendations are being followed through in work under Outcome 3.1.

212. FAO's work under Outcome 3.2 focuses on enhancing decent employment opportunities for the rural poor, especially for youth and women, while preventing child labour. The Regional Conference for Africa emphasized youth employment as a major priority. FAO is already expanding its policy support in this area and resource mobilization efforts have been stepped up to facilitate support at the country level, especially in Africa. FAO is enhancing its country-level support aiming to improve income generation and economic empowerment of rural women in Africa, Asia, Europe and Central Asia and Latin America. A sectoral priority is to improve decent work opportunities and conditions in fisheries and aquaculture, as also recommended by the Committee on Fisheries. Added focus will also be on rural migration and policy support to prevent distress migration, including through improving rural livelihoods and enhancing employment opportunities for rural youth. In 2014, FAO joined the UN Global Migration Group (GMG) and new funding is facilitating enhanced country-level support in Africa. FAO is engaging with the International Labour Organization (ILO) and other UN agencies to strengthen the global partnership to promote decent work opportunities in rural areas in the context of the Global Jobs Pact and in pursuance of SDG 8 of the Post-2015 development agenda.

213. The Committee on Agriculture emphasized the importance of strengthening social protection programmes in order to help rural populations better manage risks. Under Outcome 3.3, FAO is assisting member countries in the design and implementation of social protection mechanisms that promote food security and nutrition, poverty reduction, agricultural productivity growth, local economic development, sustainable resource management, and rural women's economic empowerment. Furthermore, FAO is following the guidance emerging from the Latin American Regional Conference to improve social protection in regional areas, enhancing rural territorial development and family farming. To enhance delivery, FAO has strengthened partnerships in the area of social protection, in particular with the ILO, the World Bank, WFP and other agencies, which globally are coordinating efforts through the Social Protection Inter-agency Coordination Board (SPIAC-B), of which FAO is an active member.

214. FAO has established multidisciplinary working mechanisms to enhance delivery. Such working mechanisms include three regional initiatives, in Latin America and the Caribbean, North Africa and the Near East, and Europe and Central Asia, which are focused on support to smallholders and family farmers in the context of broader rural territorial development.

215. FAO is fostering integrated approaches across its work under all three Outcomes. In this regard, FAO has initiated a major new collaboration with India's successful National Rural Livelihoods Mission (NRLM), which aims to reach some 500 million rural poor through a combination of interventions akin to FAO's approach to rural poverty reduction. FAO is both supporting this programme and collaborating with India in setting up a South-South Cooperation mechanism to facilitate knowledge sharing. The NRLM has a strong focus on women's empowerment and eliminating gender gaps in agriculture. Alongside, as mentioned, FAO is boosting its work in support of rural women's economic empowerment in the context of the UN Joint Programme (with UN Women, IFAD and WFP).

| STRATEGIC OBJECTIVE 3 REDUCE RURAL POVERTY | | | |
|---|--|------------------------------|------------------------------|
| Indicators (and source) of achieving Objective | | | |
| <p>Rural poverty - Poverty headcount ratio at rural poverty line (percentage of rural population); Poverty gap at rural poverty line (percent); Absolute number of rural poor (source: all World Bank)</p> <p>Rural malnutrition - Malnutrition prevalence, weight for age (percentage of children under 5); Percentage of children under 5 years of age who are stunted (source: WHO); Depth of the food deficit (kcal/cap/day) (source: FAO)</p> <p>Rural health - Mortality rate, under-5 (per 1,000 live births) (source: WHO); Maternal mortality ratio (national estimate, per 100,000 live births) (source: UN Inter-Agency Group); Community health workers (per 1,000 people) (source: WHO)</p> | | | |
| OUTCOME 3.1: The rural poor have enhanced and equitable access to productive resources, services, organizations and markets, and can manage their resources more sustainably. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 3.1.A | Number of countries using an improved set of strategies, policies, guidelines, regulations and tools aiming to improve access by poor rural men and women to productive resources, appropriate services and markets, and promote the sustainable management of the natural resource base, <i>measured by:</i> | 9 | 17 |
| | <ul style="list-style-type: none"> – <i>existence of policies for holistic rural poverty and gender inequality reduction strategies</i> – <i>existence of enabling policy framework for peoples' empowerment through collective action and participatory policy processes</i> – <i>existence of policies, legislation and institutions promoting secure tenure, equitable use and sustainable management of natural resources by poor rural men and women and other marginalized groups</i> – <i>existence of policies, regulations and approaches for the development of pro-poor technologies, rural services, and marketing support</i> | | |
| 3.1.B | Number of countries in which relevant rural organizations, Government institutions and other relevant stakeholders have enhanced their capacities to improve equitable access by rural men and women to productive resources, appropriate services, organizations and markets, and to promote the sustainable management of the natural resource base, <i>measured by:</i> | 9 | 17 |
| | <ul style="list-style-type: none"> – <i>level of capacities of rural organizations and pro-poor institutions to engage in community governance, policy processes and service provision</i> – <i>level of capacities for secure tenure, sustainable management and equitable use of natural resources</i> – <i>level of capacities to improved access by poor rural men and woman to pro-poor technologies, rural services and marketing support</i> – <i>level of capacities for evidence-based, consultative policy-making and rural poverty monitoring</i> | | |
| Outputs | | | |
| 3.1.1 | Support to strengthen rural organizations and institutions and facilitate empowerment of rural poor. | | |
| 3.1.2 | Support to the promotion and implementation of pro-poor approaches to policies and programmes which improve access to and sustainable management of natural resources. | | |
| 3.1.3 | Support to improve access of poor rural producers and household to appropriate technologies and knowledge, inputs and markets. | | |
| 3.1.4 | Support to innovations in rural services provision and infrastructure development accessible to the rural poor. | | |
| 3.1.5 | Cross-sectoral policy advice and capacity development for the definition of gender equitable and sustainable rural development and poverty reduction strategies. | | |

| STRATEGIC OBJECTIVE 3 REDUCE RURAL POVERTY | | | |
|---|---|------------------------------|------------------------------|
| OUTCOME 3.2: The rural poor have greater opportunities to access decent farm and non-farm employment. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 3.2.A | Number of countries with an improved set of policies, institutions and interventions aiming to generate decent rural employment, including for women and the youth, <i>measured by:</i> – <i>adequacy of policies, strategies and programmes for the generation of decent rural employment</i> – <i>level of institutional capacities to support the promotion of decent rural employment</i> – <i>level of capacities to analyse and monitor rural labour markets and support evidence-based decision-making policy processes</i> | 9 | 18 |
| Outputs | | | |
| 3.2.1 | Evidence-based policy support and capacity development in the formulation and implementation of policies, strategies and programmes that generate decent rural employment with particular focus on fostering youth and rural women's economic and social empowerment. | | |
| 3.2.2 | Policy support to extend the application of International Labour Standards (ILS) to rural areas. | | |
| 3.2.3 | Technical support to establish information systems and generate data and knowledge on decent rural employment at national, regional and global levels. | | |
| OUTCOME 3.3: Social protection systems are strengthened in support of sustainable rural poverty reduction. | | | |
| Indicators of Outcomes | | Target(end 2015) | Target (end 2017) |
| 3.3.A | Number of countries with improved social protection systems that link social protection with rural poverty reduction, food security and nutrition, and sustainable management of natural resources, <i>measured by:</i> – <i>multistakeholders commitment for cross-sectoral policies and strategies for expanding the outreach and increasing responsiveness of social protection systems in rural areas</i> – <i>level of institutional capacities to implement effective social protection programmes in rural areas</i> – <i>level of capacities to analyse, monitor and evaluate social protection policies and programmes in rural areas</i> | 4 | 8 |
| Outputs | | | |
| 3.3.1 | Policy advice, capacity development and advocacy are provided for improving social protection systems to foster sustainable and equitable rural development, poverty reduction, and food security and nutrition. | | |
| 3.3.2 | Information systems and evidence-based knowledge instruments are improved to assess the impact of social protection mechanisms on reducing inequalities, improving rural livelihoods and strengthening ability of the rural poor to manage risks. | | |

Strategic Objective 4: Enable more inclusive and efficient agricultural and food systems

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 4.01 | 57,268 | 22,286 | 79,555 |
| 4.02 | 29,937 | 82,225 | 112,162 |
| 4.03 | 17,799 | 23,717 | 41,516 |
| Total | 105,004 | 128,229 | 233,233 |

216. Effective participation of member countries in shaping rapidly evolving food and agriculture systems is critical to achieving a world without hunger. Improving the efficiency of these systems will help to ensure the responsible use of available resources and facilitate the production and delivery of products that are healthy and safe. Support to the engagement of smallholder producers and economically small countries will enhance the inclusiveness of these systems. FAO contributes to enabling inclusive and efficient agricultural systems by addressing three critical areas of work in partnership with governments, the development community and affected stakeholders to ensure:

- a) strengthened international agreements, mechanisms and standards, that more fully reflect the different requirements of countries and that facilitate countries' capacity to implement them (Outcome 4.1);
- b) agro-industry and agrifood chain development that combine coherent subsectoral and Small and medium-sized enterprises (SMEs) strategies to allow the emergence and adoption of efficient business models, and to reduce food waste and loss (Outcome 4.2);
- c) supportive policies, financial instruments and investments that improve incentives that small-scale actors face and the environment in which they must operate (Outcome 4.3).

Focus and enhanced delivery

217. FAO's support to ensuring inclusive and efficient agriculture and food systems recognizes that the factors that condition their development are both external and internal to the country and require action at global, regional and country level.

218. For countries with growing populations, particularly those with high rates of urbanization, greater engagement in the international trade of agriculture and food products is inevitable, creating both challenges and opportunities. Under Outcome 4.1, FAO will continue to support member countries in the formulation of multilateral and regional trade agreements and in facilitating the work of standard setting bodies including Codex and IPPC, to ensure appropriately regulated trade such that the benefits of greater access to safe and nutritious food and to higher value markets are realized, while minimizing the risks of disruption to food sectors in importing countries, of compromised food safety, of losses in nutritional diversity, and of the spread of plant and animal diseases. This includes scientific advice that guides food safety policies and underpins the work of Codex. In particular, FAO will work with OIE and WHO on addressing antimicrobial resistance⁶¹ (AMR) and the country-led Global Health Security Agenda.

219. FAO will also support the translation of international agreements and standards into coherent and compatible domestic policies, strategies, and regulatory frameworks through the provision of technical assistance and capacity development of government officials as requested by the Committee on Commodity Problems (CCP), COAG, the Regional Conference for Europe and the Informal Regional Conference for North America. In particular, this will be achieved through the Regional Initiative on Agrifood Trade and Regional Integration in Europe and Central Asia and by increasing support in line with the commitment of the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods to boost intra-African trade.

⁶¹ C 2013/28

220. Increased reliance on trade also requires increased capacity of countries to respond appropriately both to external shocks and to longer-term global market developments. FAO will continue to facilitate intergovernmental cooperation in reducing price volatility with the provision of market information through the Agricultural Market Information System (AMIS) and similar platforms in line with recommendations from the CCP. FAO will also assist countries in adapting market and trade strategies through its medium-term projections in collaboration with the Organisation for Economic Co-operation and Development (OECD) and in strengthening the use of these projections in informing the formulation of trade agreements (CCP).

221. In many regions, growing urban demand provides more viable opportunities for domestic producers and with greater possibilities for enhanced intraregional trade, can foster food systems development that helps resource poor producers to harness market and trade opportunities. Sustainable responses to these opportunities will only be possible if smallholder producers, the majority of whom still sell through traditional markets, can participate in the more complex supply chains that are developing in response to rapid urbanization. Under Outcome 4.2, following the recommendations of COAG and COFI, FAO will support, through assessments and sharing of best practice, strategies for agriculture and food system development inclusive of smallholder producers and SMEs which: provide greater opportunities for youth employment in value-added activities, ensure greater accessibility to balanced diets, particularly in urban areas, and promote Green Food Value Chains by more fully addressing environmental issues and impacts along the value chain.

222. The Regional Initiatives in both the Caribbean (Improving Food Systems in the Caribbean) and the South Pacific (Value Chains for Food Security and Nutrition in the Pacific Islands) place significant emphasis on the substitution of imported products by locally-grown product by linking farmers to national and regional markets. In these regions, as well as in Africa under the African Accelerated Agribusiness and Agro-industries Development Initiative, FAO will support the development and implementation of context-specific mechanisms to link smallholders to buyers through contract farming, inclusive business models, large scale, including institutional, procurement and strengthened linkages with the tourism sector. In the Caribbean, activities will promote agricultural diversification to reduce food import bills. In the Pacific, increased support will be provided to strengthening capacities of local food producers and business to supply more food to domestic and tourist markets to meet demands for a balanced and nutritious diet.

223. Opportunities for greater efficiencies can also be realized by reducing the extent of food loss and waste in food systems. Using the SAVE FOOD⁶² initiative, FAO will implement the recommendations made by all Regional Conferences to assist countries in the measurement and assessment of food loss and waste (a priority area of work identified by CFS) and in the development of national and regional strategies to achieve reductions, including the reduction of food waste in urban areas.

224. The development of inclusive and efficient agriculture and food systems will require significant levels of investment by producers, the private sector (both domestic and foreign), the public sector, and by donors. Under Outcome 4.3, FAO will continue to work with private sector partners and lending institutions to facilitate access to credit, and the delivery of complementary investments through innovative mechanisms including Public Private Partnerships. Through its cooperation with International Finance Institutions such as the World Bank and the European Bank for Reconstruction and Development (EBRD), FAO will support more focused investment in food systems development. In supporting the implementation of the Principles for Responsible Agricultural Investment, FAO will ensure appropriate investments compatible with national economic, social and environmental objectives.

⁶² Global Initiative on Food Loss and Waste Reduction (SAVE FOOD)

225. At the country level, building on initiatives such as the Monitoring and Analysing Food and Agricultural Policies (MAFAP), FAO will also seek to expand its support to systems of policy monitoring and to enhancing the institutional capacity to use these system, critical in facilitating evidence-based policy reform conducive to inclusive and efficient agriculture and food systems development.

| STRATEGIC OBJECTIVE 4 | | | |
|---|--|--------------------------|--------------------------|
| ENABLE MORE INCLUSIVE AND EFFICIENT AGRICULTURAL AND FOOD SYSTEMS | | | |
| Indicators (and source) of achieving Objective | | | |
| Increase in the value of global agricultural trade relative to the value of global agricultural production (source: FAOSTAT); | | | |
| Extent to which growth in global value added agro-industry is greater than growth in agricultural value added (source: UNIDO); | | | |
| Global growth of labour productivity in the agriculture and agribusiness sectors (source: ILO) | | | |
| OUTCOME 4.1: International agreements, mechanisms and standards that promote more efficient and inclusive trade and markets are formulated and implemented by countries. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 4.1.A | Number of countries that have aligned national trade policies, regulations and mechanisms (related to international trade in agriculture, forestry, food, products) to conform to agreements, <i>measured by:</i> – <i>identifying the number of countries that have changed national policies, regulations and mechanisms related to international trade to conform to international trade agreements (source: WTO trade policy review; monitored by FAO)</i> | 5 | 15 |
| 4.1.B | Percent of low income and lower-middle income countries effectively participating in international standard setting under the auspices of Codex Alimentarius and the International Plant Protection Convention (IPPC) or Codex standards development which were received from LDCs, <i>measured by:</i> – <i>number of comments received from low income and lower-middle income countries at all phases of IPPC or Codex standards development as a proportion of the number of comments received by all member countries (source: data from Codex and IPPC Secretariats on-line commenting systems)</i> | 15.12% | 15.84% |
| 4.1.C | Number of developing countries in which the FAO Regulatory Systems Index has increased, <i>measured by:</i> – <i>Index to be developed in 2014-15</i> | 8 | 15 |
| Outputs | | | |
| 4.1.1 | New and revised international standards for food safety and quality and plant health are formulated and agreed by countries and serve as references for international harmonization. | | |
| 4.1.2 | Countries and their regional economic communities are supported to engage effectively in the formulation and implementation of international agreements, regulations, mechanisms and frameworks that promote transparent markets and enhanced global and regional market opportunities. | | |
| 4.1.3 | Governments and national stakeholders are provided with up-to-date information and analysis to design and implement efficient and inclusive market and trade strategies. | | |
| 4.1.4 | Public sector institutions are supported to improve their capacity to design and implement better policies and regulatory frameworks, and to provide public services related to plant and animal health, food safety and quality. | | |

| STRATEGIC OBJECTIVE 4 | | | |
|---|---|------------------------------|------------------------------|
| ENABLE MORE INCLUSIVE AND EFFICIENT AGRICULTURAL AND FOOD SYSTEMS | | | |
| OUTCOME 4.2: Agribusinesses and agrifood chains that are more inclusive and efficient are developed and implemented by the public and private sectors. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 4.2.A | Number of countries in which agro-industry value added has grown faster than agricultural value added, <i>measured by</i> : – <i>value added in agro-industry (source: UNIDO industrial statistics) compared to value added in agriculture (including forestry, fishing and aquaculture) (source: World Development Indicators)</i> | 10 | 12 |
| 4.2.B | Number of countries in which the FAO food loss index has decreased, <i>measured by</i> : – <i>index to be developed by 2015</i> | 20 | 40 |
| Outputs | | | |
| 4.2.1 | Public sector institutions are supported to formulate and implement policies and strategies, and to provide public goods that enhance inclusiveness and efficiency in agrifood chains. | | |
| 4.2.2 | Support is provided for the development of evidence-based food losses and waste reduction programmes at national, regional and global levels. | | |
| 4.2.3 | Value chain actors are provided with technical and managerial support to promote inclusive, efficient and sustainable agrifood chains. | | |
| OUTCOME 4.3: Policies, financial instruments and investment that improve the inclusiveness and efficiency of agrifood systems are developed and implemented by the public and private sectors. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 4.3.A | Number of countries in which credit to agriculture has increased in real terms (inflation-adjusted), <i>measured by</i> : – <i>real level credit provided to the agricultural sector as measured in Central Statistics Reports (at least 50 countries)</i> | 13 | 15 |
| 4.3.B | Number of countries in which the agricultural investment ratio has increased, <i>measured by</i> : – <i>Gross fixed capital formation (GFCF) agriculture/agricultural value added, where: (i) the GFCF is the value of net acquisitions of new or existing fixed assets (land development, fixed assets and inventory in livestock, plantation crops, structures for livestock, machinery); and (ii) agriculture refers to agriculture, fishery and forestry</i> | 7 | 10 |
| 4.3.C | Number of countries that have reduced the level of disincentives affecting the agriculture and food sector through policy distortions, <i>measured by</i> : – <i>indices of nominal rate of protection (source: OECD and World bank data, FAO data)</i> | 10 | 12 |
| Outputs | | | |
| 4.3.1 | Public and private sector institutions are supported to design and implement financial instruments and services that improve access to capital for efficient and inclusive agrifood systems. | | |
| 4.3.2 | Public and private investment institutions are supported to increase responsible investments in efficient and inclusive agrifood systems. | | |
| 4.3.3 | Systems are established and countries are supported to monitor, analyse and manage the impacts of trade, food and agriculture policies on food systems. | | |

Strategic Objective 5: Increase the resilience of livelihoods to threats and crises

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 5.01 | 14,246 | 18,934 | 33,181 |
| 5.02 | 13,994 | 59,085 | 73,079 |
| 5.03 | 16,506 | 291,186 | 307,692 |
| 5.04 | 5,299 | 330,438 | 335,737 |
| Total | 50,045 | 699,643 | 749,688 |

226. To increase the resilience of agriculture livelihoods to threats and crises, thus preventing, protecting, restoring and improving livelihoods systems, requires strategic multi-actor partnerships for direct and coherent action at local, national, regional and global levels in four mutually reinforcing outcomes:

- a) govern risks and crises, countries and regions have legal, policy and institutional systems and regulatory frameworks for disaster and crisis risk management for agriculture, food and nutrition (Outcome 5.1);
- b) watch to safeguard, countries and regions deliver regular information and trigger timely actions against potential, known and emerging threats to agriculture, food, and nutrition (Outcome 5.2);
- c) reduce risk and vulnerability at household and country level; countries apply prevention and impact mitigation measures that reduce risks for agriculture, food and nutrition (Outcome 5.3); and
- d) prepare and respond to crises, countries and regions affected by disasters and crises with impact on agriculture, food and nutrition are prepared for, and manage effective responses (Outcome 5.4).

227. Building on lessons and experiences learned over decades of work in natural disasters and human-induced crisis, FAO provides multidisciplinary technical and operational expertise, helping its member countries to reduce multi-hazard risks and crisis - essential ingredients to fight hunger, alleviate poverty and foster sustainable development.

Focus and enhanced delivery

228. FAO's support to increase the resilience of livelihoods to threats and crises recognizes the criticality of ensuring strengthened partnership, resources mobilization and mutually reinforcing synergies with work related to other SOs and with stakeholders at all levels (country, region and global). The areas of focus take into account the recommendations of the 2014 Regional Conferences and Technical Committees.

229. FAO's focus under Outcome 5.1 will be on mainstreaming of disaster risk reduction (DRR) and investment programming for building resilience in agriculture. Particular emphasis will be put on capacity development of national governments and civil society to design and implement policies, institutional mechanisms and strategies and programmes, and provide services at decentralized levels to deliver and mainstream DRR in the agricultural sectors as recommended by COAG, COFO, COFI, ERC and iNARC. It will also support countries to apply prevention and impact mitigation measures which reduce risks for agriculture, food security and nutrition. This links directly to the delivery of the Post-2015 framework for disaster risk reduction (adopted at the World Conference on Disaster Risk Reduction (WCDRR) in March 2015) with a focus on the nexus between food, nutrition and disasters. In order to further the advocacy for the inclusion of agriculture, fisheries and forestry sectors into

DRR/M⁶³ and vice-versa, FAO will also build on the results of the in-depth research study on damage and losses for the agricultural sectors from medium- and large-scale extreme natural disasters which will be presented at the 3rd WCDRR to be held in Sendai, Japan in March 2015 and move towards initiating an annual report covering natural and human-induced disasters.

230. Under Outcome 5.1 of governing risks and crises and Outcome 5.3 of reducing risk and vulnerability at household and country level, FAO will assist members to translate political commitments under the CFS policy framework Agenda for Action to address food insecurity and malnutrition in protracted crises situations into country level action. Following the requests by COAG, iNARC, and NERC, priority areas of work include: i) strengthening capacities in the use of relevant policy, through policy support and advice to multiple stakeholders, with a focus on understanding and addressing the needs of local institutions, which have a critical role to play in protracted crises; ii) building a better understanding of linkages between food security, nutrition, agriculture-based livelihoods and protracted crises; iii) strengthening capacities to design, analyse, implement, monitor and evaluate policies and actions (recognising that protracted crisis situations are context-specific and require comprehensive analyses spanning multiple risks and needs, by different actors, in order to arrive at a shared understanding of problems and possible solutions); iv) dissemination of knowledge for outreach and advocacy. This will also cover the work FAO is implementing to ensure that resilience policies and programmes are properly designed, monitored and evaluated. Attention will be paid to a further expansion of country-level analyses based on the FAO Resilience Index for Measurement and Analysis (RIMA) and to capacity development of country level institutions in collaboration with regional bodies such as IGAD and CILSS.⁶⁴ This work will inform preparation for, as well as deliberations and high-level political discussions during the 2016 World Humanitarian Summit.

231. The Food Chain Crisis Emergency Prevention System⁶⁵ (FCC EMPRES) for animal health, plant protection and food safety has the main technical and operational capacities in FAO to address transboundary animal diseases, as well as plant pests and diseases, including aquatic and forest pests and diseases, food safety and radiation threats, and to support countries in the fight against these threats. As requested by ERC, iNARC, LARC, NERC and COAG, under Outcome 5.2, efforts will focus on the delivery of regular information on known and emerging food chain threats. Country capacities will be enhanced to prevent and mitigate risks (Outcome 5.3), as well as to be better prepared and respond adequately to food chain crises (Outcome 5.4). FAO will strengthen its collaboration and partnership at global, regional and country levels with international institutions such as OIE, WHO, CG centres and other agricultural research centres.

232. In order to strengthen the linkages between Early Warning, as requested by CCP, iNARC, and COFO under Outcome 5.2 and Early Action as requested by APRC, iNARC, COAG, COFI and COFO under Outcome 5.4, FAO will enhance capacities at country, regional and global levels through: i) linking early warnings to accountable decision-making processes; ii) financing early action interventions to prevent and mitigate risks; iii) strengthening trigger mechanisms and contingency plans; and iv) demonstrating the cost effectiveness of early action. The work will improve country understanding of the potential to trigger early action, better evidence on the effectiveness and efficiency of early livelihood interventions, developing links to flexible and risk-tolerant financing and institutional mechanisms and innovative approaches to minimize risk aversion.

233. In cases of emergencies, support will be provided not only to help the affected population get back on their feet and rebuild their livelihoods, but also to help governments, communities and households to anticipate and decrease the impact of shocks affecting vulnerable agriculture-based livelihoods as recommended by iNARC, ARC, COAG, COFI and COFO.

⁶³ Disaster risk reduction/management (DRR/M)

⁶⁴ Intergovernmental Authority on Development (IGAD); Permanent Interstates Committee for Drought Control in the Sahel (CILSS)

⁶⁵ Food Chain Crisis Management Framework (FCC); FAO Emergency Prevention System (EMPRES)

| STRATEGIC OBJECTIVE 5 | | | |
|--|--|------------------------------|------------------------------|
| INCREASE THE RESILIENCE OF LIVELIHOODS TO THREATS AND CRISES | | | |
| Indicators (and source) of achieving Objective | | | |
| Exposure to risk - Exposure to risk index (to be developed based on OCHA-ECHO data) | | | |
| Dependence on food aid - Cereal food aid shipments per capita (source: WFP-FAO) | | | |
| Ecosystem health - Nutrient balances (source: FAOSTAT); Terrestrial protected areas (source: World Bank); forest area primarily designated for provision of environmental and social services (source: Global Forest Resources Assessment, FAO); forest area p.a. growth (percentage) (source: FAOSTAT); GEF benefits index (GBI) for biodiversity (source: World Bank) | | | |
| Malnutrition - Global Acute Malnutrition Index (median rates) (source: CE DAT) | | | |
| OUTCOME 5.1: Countries and regions adopt and implement legal, policy and institutional systems and regulatory frameworks for risk reduction and crisis management. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 5.1.A | Number of countries that have improved their commitment and capacity for disaster and crisis risk management for agriculture, food and nutrition in the form of policies, legislation and institutional systems, <i>measured by</i> : | 10 | 16 |
| | <ul style="list-style-type: none"> – <i>existence of national policy or strategy for disaster risk reduction and/or management with an explicit and comprehensive inclusion of agriculture, food, nutrition and/or related sectors</i> – <i>disaster risk reduction is an integral part of national agriculture, food and nutrition related policies and plans</i> – <i>existence of a well-functioning disaster risk reduction/management structure within agriculture, food and nutrition and related sectoral agencies</i> – <i>existence of a national multi-stakeholder and multi-sectoral coordination mechanism for disaster risk reduction and management and including a focus on DRR for agriculture, food and nutrition interventions</i> – <i>adequate levels of human and financial resources allocated towards risk reduction for agriculture, food and nutrition</i> | | |
| Outputs | | | |
| 5.1.1 | Improving capacities to formulate and promote risk reduction and crisis management policies, strategies and plans. | | |
| 5.1.2 | Enhancing coordination and improved investment programming and resource mobilization strategies for risk reduction and crises management. | | |
| OUTCOME 5.2: Countries and regions provide regular information and early warning against potential, known and emerging threats. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 5.2.A | Number of countries that have improved their capacity to deliver regular information and trigger timely actions against potential, known and emerging threats to agriculture, food and nutrition, <i>measured by</i> : | 22 | 30 |
| | <ul style="list-style-type: none"> – <i>systems are in place to collect, monitor and share data and analysis on key hazards and vulnerabilities for risks affecting agriculture, food and nutrition</i> – <i>national early warning systems are in place for all major risks affecting agriculture, food and nutrition with outreach to communities</i> – <i>evidence of use of hazard, vulnerability and/or resilience-related data to inform decisions on gender-sensitive programming and implementation for agriculture, food and nutrition</i> – <i>systems are in place to collect, monitor and share data and analysis on resilience mechanisms of communities/livelihoods groups</i> | | |
| Outputs | | | |
| 5.2.1 | Mechanisms are set up/improved to identify and monitor threats and assess risks to deliver integrated and timely early warning. | | |
| 5.2.2 | Improving capacities to undertake vulnerability/ resilience analysis. | | |

| STRATEGIC OBJECTIVE 5 | | | |
|---|---|------------------------------|------------------------------|
| INCREASE THE RESILIENCE OF LIVELIHOODS TO THREATS AND CRISES | | | |
| OUTCOME 5.3: Countries reduce risks and vulnerability at household and community level. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 5.3.A | Number of countries that have improved their capacity to apply prevention and impact mitigation measures that reduce risks for agriculture, food and nutrition, <i>measured by:</i> <ul style="list-style-type: none"> – countries prone to disasters and crises with impact on agriculture, food and nutrition have capacities to apply prevention and mitigation measures at all administrative levels – countries prone to disasters and crises with impact on agriculture, food and nutrition provide social and economic support and services to communities at risk to reduce their vulnerability | 15 | 20 |
| Outputs | | | |
| 5.3.1 | Improving capacities of countries, communities and key stakeholders to implement prevention and mitigation good practices to reduce the impacts of threats and crises. | | |
| 5.3.2 | Improving access of most vulnerable groups to services which reduce the impact of disasters and crises. | | |
| OUTCOME 5.4: Countries and regions affected by disasters and crises prepare for, and manage effective responses. | | | |
| Indicators of Outcomes | | Target (end 2015) | Target (end 2017) |
| 5.4.A | Number of countries that have improved their preparedness and response management capacity, <i>measured by:</i> <ul style="list-style-type: none"> – multi-hazards disaster preparedness and/or contingency plans for agriculture, food, nutrition and/or related sectors are in place and effective for DRR at all administrative levels – existence of an effective and accountable technical and institutional coordination mechanism for disaster/crisis management for agriculture, food and nutrition – countries affected by disasters and crises with impact on agriculture, food and nutrition have capacity to manage effective responses | 20 | 27 |
| Outputs | | | |
| 5.4.1 | Improving capacities of national authorities and stakeholders for emergency preparedness to reduce the impact of crisis. | | |
| 5.4.2 | Strengthening coordination capacities for better preparedness and response to crises. | | |
| 5.4.3 | Strengthening capacities of national authorities and stakeholders in crisis response. | | |

Objective 6: Technical quality, knowledge and services

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 6.01 | 34,556 | 46 | 34,602 |
| 6.02 | 7,451 | 3,897 | 11,348 |
| 6.03 | 3,664 | 12 | 3,676 |
| 6.04 | 1,352 | 0 | 1,352 |
| 6.05 | 2,223 | 0 | 2,223 |
| 6.06 | 10,000 | 0 | 10,000 |
| Total | 59,245 | 3,955 | 63,200 |

234. To ensure a robust and practical results-based approach to all work of the Organization, FAO should be able to ensure that it has the internal capacity to achieve the expected results. In an increasingly decentralized context, preserving the technical integrity of the Organization and building its capacity to mainstream key technical functions beyond institutional boundaries is of paramount importance.

235. Objective 6 ensures the quality and integrity of FAO's core technical, normative and standard setting work; the delivery of high-quality statistics; and the co-ordination of the cross-cutting themes of gender, governance and nutrition. Work and resources are planned to achieve five specific outcomes supporting the delivery of corporate technical activities and the Strategic Objectives. The scope and focus of each outcome is described below. The Organizational Outcome 6.5 provides resources for the Multidisciplinary Fund (MDF).

Quality and integrity of technical and normative work of the Organization (Outcome 6.1)

236. Fostering the quality and integrity of the technical and normative work of the Organization is essential for effective implementation of the reviewed Strategic Framework. This Outcome is achieved by ensuring the excellence of technical knowledge through core technical leadership of technical departments' Assistant Directors-General; supporting technical networks and the delivery of adequate technical expertise to the corporate programmes; strengthening ties between headquarters and regional offices; maintaining a capacity to respond to emerging issues through a Multidisciplinary Fund; advancing on fundamental challenges in the main disciplines through the Technical Committees; and preparing state-of-the art flagship publications.

237. During 2016-17 attention will be given to:

- a) Putting in place more integrated and holistic approaches in supporting the Strategic Objective action plans and results frameworks, maximizing the potential of strategic partnership and focus on areas of comparative advantage.
- b) Strengthening the capacities of the 14 technical networks established in 2014 to improve technical quality and coherence of services delivered so as to ensure quality inputs and support to the outputs of the SOs and regional initiatives, as well as corporate technical activities. Technical networks will also be used to facilitate innovations inside and outside of FAO.
- c) Follow-up on implementation of recommendations made by Technical Committees (CCP, COAG, COFI, COFO) and use of a more focused approach to align messages and ensure coherence.
- d) Further improving technical quality of FAO flagship publications, ensuring that they reflect emerging issues, inform on new approaches and innovations to adapt solutions to a changing

environment and contribute to resolving challenges. Greater emphasis will be made to thorough peer review and selection of priorities.

- e) A more systematic implementation of the environmental and social standards that have become integral part of the FAO project cycle. The Environment and Social Unit will assist technical officers in the management of environmental and social risks when designing strategies, policies and field projects. The Technical Network on Social and Environmental Impact Assessment will continue to support capacity building both at headquarters and decentralized offices.

Country capacity to use, collect, analyse and disseminate data is strengthened by improved methods developed by the Organization (Outcome 6.2)

238. High-quality statistics are essential for designing and targeting policies to reduce hunger, malnutrition and rural poverty, and to promote the sustainable use of natural resources. Coordinated by the FAO Chief Statistician, this Outcome provides for the development of methods for the collection, compilation, dissemination, analysis and use of data under different data domains, and the provision of support to strengthen national statistical institutions in collecting, analysing and disseminating data (including through work on the Global Strategy and CountryStat) so that high-quality and internationally comparable data are produced and accessed by all countries.

239. During 2016-17 attention will be given to:

- a) addressing the findings and recommendations of the upcoming evaluation of FAO's knowledge products, to ensure that the statistical products produced are demand-driven and in-line with the expectations expressed by users;
- b) implementation of efficiency and improvements of effectiveness based on a thorough review of some key statistical processes across the Organization, which will be reflected in the statistical programme of work 2016-17;
- c) FAO's role in monitoring the Post-2015 development agenda, and to supporting the monitoring functions of FAO's result-based Strategic Framework, for which additional resources are allocated;
- d) streamlining the current external governance structure in agricultural statistics, both at regional and global level. Further progress will be made in the adoption of statistical methods and standards with the full rollout of FAO's Quality Assurance Framework.

Quality services and coherent approaches to work on gender equality and women's empowerment that result in strengthened country capacity to formulate, implement and monitor policies and programmes that provide equal opportunities for men and women (Outcome 6.3)

240. Closing the gender gaps in agriculture and empowering rural women is central to all of FAO's five Strategic Objectives. Through the cross-cutting theme on gender, the gender experts and focal points network actively supports the SO teams in the programming, implementation, quality assurance, and monitoring of gender-related activities. Member countries are supported in strengthening their capacities to ensure food security and nutrition policies and agricultural and rural development programmes are gender-sensitive and enable the creation of equal opportunities for men and women. The support provided is guided by FAO's minimum standards for gender mainstreaming and targeted interventions. In addition, institutional mechanisms and staff capacities are being strengthened to support country-level initiatives aimed at addressing gender equality and women's empowerment. Ongoing efforts on capacity development, knowledge generation, policy dialogue and support, and gender statistics will be continued and expanded to ensure progress towards reducing gender gaps in access to resources, organizations and services and empowerment of rural women.

241. During the biennium, priority will be given to:

- a) supporting countries' capacities to address gender concerns in their policies, coordination mechanisms, and information systems related to food and nutrition security (SO1);

- b) supporting policies and programmes that reduce women's work burden in agriculture and sustainable management of natural resources (SO2);
- c) generating knowledge and providing country-level policy support to promote rural women's economic empowerment by increasing access to productive resources, services, technologies, decent work and social protection (SO2 and SO3);
- d) supporting countries in developing inclusive and gender-sensitive value chains and promoting women's entrepreneurship (SO4);
- e) strengthening national capacities to address specific needs of women and men in programmes for disaster risk reduction and emergency preparedness in agriculture and food security (SO5);
- f) providing technical guidance and support to countries for collection and use of sex-disaggregated data to monitor progress in gender gaps in key areas of FAO's mandates (SO1, SO2, SO3 and SO5).

242. The funding for work on gender has been maintained at USD 21.8 million as requested by the Conference.⁶⁶ The resources have been planned under the Strategic and Functional Objectives as shown in the table below. The change in distribution of resources better reflects the work on gender, including the gender focal points in CS and Apex offices, and the dedicated gender unit in the Social Protection Division (ESP).

Resources for gender (USD thousands)

| Chapter | Adjusted PWB 2014-15 | Change | PWB 2016-17 |
|--------------|-------------------------|----------|---------------|
| 1 | 1,742 | 267 | 2,009 |
| 2 | 1,742 | 386 | 2,128 |
| 3 | 10,156 | (1,143) | 9,013 |
| 4 | 1,742 | (271) | 1,471 |
| 5 | 751 | 523 | 1,274 |
| 6 | 5,123 | (846) | 4,277 |
| 8 | | 482 | 482 |
| 9 | | 109 | 109 |
| 10 | | 566 | 566 |
| 11 | | 426 | 426 |
| MDF | 500 | (500) | |
| Total | 21,756 | 0 | 21,756 |

Quality services for more effective treatment of governance issues at global, regional and national level and in the Strategic Objective programmes (Outcome 6.4)

243. Through the cross-cutting theme on governance, FAO aims to enhance the effectiveness of policy assistance and governance work at global, regional and national levels. This is being done through the provision of strategic advice for key global governance mechanisms, guidance on policy and governance issues at regional and national levels, support to FAO's work in select country engagements and Regional Initiatives, and the development and enlargement of a community (network) of officers across the Organization engaged in policy and governance work at all levels.

244. Major areas of work include:

- a) development of an electronic platform to support a network of FAO policy officers;
- b) support to Regional Initiatives and country programmes;
- c) preparation and dissemination of training materials to raise professional staff capacity;

⁶⁶ C 2013/REP paragraph 66

- d) organization of biannual seminar on policy and governance issues;
- e) a major report on “Weaving the Fabric of Governance: a framework with FAO case studies”;
- f) continued coordination work for implementation of the Post-2015 sustainable development agenda, HLTF and the Zero Hunger Challenge.

Quality and coherence of FAO’s work on nutrition ensured through mainstreaming of nutrition across the Strategic Framework and strengthening FAO’s contribution in the international nutrition architecture (Outcome 6.5)

245. Nutrition has been designated as a cross-cutting theme under Objective 6, following on the outcome of the Second International Conference on Nutrition (ICN2) and as encouraged by the Council. The substantive areas to be covered for nutrition include overall technical leadership for FAO’s work on nutrition; policy and operational coordination around nutrition in the UN system; facilitation of mainstreaming nutrition across the Strategic Objectives; and technical support to resource mobilization and communication in support of nutrition. The core programmatic activities for improving nutrition and the corresponding resources for nutrition work remain under the Strategic Objectives.

246. During the biennium, work will be focused in six areas:

- a) support UN-system policy and operational coordination on nutrition;
- b) support member countries through the SOs in implementing the ICN2 Rome Declaration on Nutrition and Framework for Action;
- c) monitor and report on implementation of the ICN2 Rome Declaration on Nutrition and Framework for Action jointly with WHO in close collaborations with other UN agencies, funds and programmes and other regional organizations;
- d) collaborate with the relevant SOs to strengthen corporate communication on nutrition and mobilization of resources for implementation of the ICN2 Rome Declaration on Nutrition and Framework for Action;
- e) promote the implementation of a set of minimum standards and corporate approach for mainstreaming nutrition in the implementation of the reviewed Strategic Framework;
- f) contribute to the establishment and maintenance of a corporate food security and nutrition policy intelligence system to strengthen FAO’s support to evidence-based policy dialogue at global, regional and national levels.

| OBJECTIVE 6: TECHNICAL QUALITY, KNOWLEDGE AND SERVICES | | | | |
|---|---|------------------|---------------------------|---------------------------|
| Outcome statement – Technical quality, knowledge and services, quality and integrity of data produced and disseminated by FAO, and quality services for work on governance and gender achieved | | | | |
| 6.1: Quality and integrity of the technical and normative work of the Organization | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 6.1.A | Quality of technical leadership, <i>measured by:</i> | 62% | | |
| | – a survey methodology to assess the feedback of stakeholders on elements of technical leadership, such as: ensuring the excellence of technical knowledge, compliance with technical policies, technical integrity, capacity to respond to emerging issues and advancing fundamental understanding of challenges and creating options in the main disciplines through the Technical Committees | | | |
| Outputs | | | | |
| 6.1.1 | Ensure the excellence of the technical knowledge required to achieve and support the delivery of the strategic objectives through core technical leadership of technical department ADGs; creation of technical networks and the delivery of adequate technical expertise to the corporate programmes. | | | |
| 6.1.2 | Ensure compliance with technical policies, technical integrity and coherence of FAO’s interventions across geographical boundaries. | | | |

| OBJECTIVE 6: TECHNICAL QUALITY, KNOWLEDGE AND SERVICES | | | | |
|---|---|------------------|---------------------------|---------------------------|
| 6.1.3 | Provide capacity to respond to emerging issues, support to exploring new approaches and innovations to adapt solutions to a changing environment, and contribute to resolving challenges through collaborative efforts using the multidisciplinary fund. | | | |
| 6.1.4 | Advance fundamental understanding of challenges and creating options in the main disciplines through the Technical Committees (COFI, COFO, COAG, CCP). | | | |
| 6.1.5 | Ensure preparation of flagship publications on the “State of” food insecurity, agriculture, fisheries and aquaculture, forestry. | | | |
| 6.1.6 | Support and promote policy and technical dialogue at global and regional level through institutional representation by technical departments and the Chief Statistician. | | | |
| 6.2: Country capacity to use, collect, analyse and disseminate data is strengthened by improved methods developed by the Organization | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 6.2.A | Use of statistics for evidence-based policy-making in the fields of the five Strategic Objectives (food security and nutrition, sustainable agriculture, rural poverty and resilience to threats and crises), <i>measured by</i> : – number of countries in which statistics exist and are used for such policy-making processes – (source: FAO corporate survey) | | 12 | 30 |
| 6.2.B | FAO assessment system for statistical capacity, <i>measured by</i> : – number of countries having shown significant progress in statistical capacity in the results of country assessment questionnaires of the Global Strategy to Improve Agricultural and Rural Statistics | | 18 | 45 |
| Outputs | | | | |
| 6.2.1 | Methods for the collection, compilation, dissemination, analysis and use of data under different data domains are developed and shared. | | | |
| 6.2.2 | Support provided to strengthen national statistical institutions and to improve the competencies of national statisticians in collecting, analysing and disseminating data (e.g. through work on the Global Strategy and CountryStat). | | | |
| 6.2.3 | High quality and internationally comparable data are produced and accessed by all countries. | | | |
| 6.2.4 | Strengthened FAO statistics governance and coordination (Chief Statistician and IDWG on Statistics) and improved internal capacity to analyse political and development challenges and to evaluate the corporate monitoring framework. | | | |
| 6.3: Quality services and coherent approaches to work on gender equality and women’s empowerment that result in strengthened country capacity to formulate, implement and monitor policies and programmes that provide equal opportunities for men and women | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 6.3.A | Number of the gender mainstreaming minimum standards and women-specific targeted interventions adopted, <i>measured by</i> : – identifying and monitoring a set of key interventions related to minimum standards | 0 | 6 | 10 |
| 6.3.B | Number of performance standards of the UN SWAP on gender achieved by FAO, <i>measured by</i> : – identifying and monitoring a set of key interventions related to UN SWAP | 4 | 8 | 10 |
| Outputs | | | | |
| 6.3.1 | Member countries are supported within the SOs by the Gender Unit to develop their capacities consistent with FAO’s minimum standards for gender mainstreaming and targeted interventions. | | | |
| 6.3.2 | Institutional mechanisms and staff capacities are established or strengthened to support countries’ initiatives aimed at addressing gender equality. | | | |
| 6.4: Quality services for more effective treatment of governance issues at global, regional and national level and in the Strategic Objective programmes | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 6.4.A | Number of global governance mechanisms or processes where FAO exercises a leadership role that have promoted progress on issues related to the five Strategic Objectives. | 2 | 3 | 3 |
| 6.4.B | Number of national and regional governance issues where FAO’s contribution has promoted progress in relation to the five Strategic | 0 | 4 | 8 |

| OBJECTIVE 6: TECHNICAL QUALITY, KNOWLEDGE AND SERVICES | | | | |
|---|--|------------------|---------------------------|---------------------------|
| | Objectives, <i>measured by</i> : | | | |
| | – number of national or regional governance issues for which options for solutions were elaborated with key stakeholders. | | | |
| Outputs | | | | |
| 6.4.1 | FAO's contribution to selected global governance mechanisms is improved in quality and consistency. | | | |
| 6.4.2 | Key national and regional governance issues are identified and options for appropriate targeted advice are formulated. | | | |
| 6.5: Quality and coherence of FAO's work on nutrition ensured through mainstreaming of nutrition across the Strategic Framework and strengthening FAO's contribution in the international nutrition architecture | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 6.5.A | Number of countries supported by FAO that report progress in implementing ICN2 Rome Declaration on Nutrition and Framework for Action commitments (Source: joint FAO/WHO monitoring system). | | | |
| 6.5.B | Number of FAO units/employees applying the minimum standards and corporate approach for mainstreaming nutrition across the Strategic Framework (Source: post-training follow-up assessment). | | | |
| Outputs | | | | |
| 6.5.1 | Quality and coherence of FAO support to UN System operational and policy coordination on nutrition improved. | | | |
| 6.5.2 | FAO's capacity strengthened for supporting Member countries in implementing ICN2 Rome Declaration on Nutrition and Framework for Action. | | | |
| 6.5.3 | Common standards and corporate approach for mainstreaming nutrition in the Strategic Framework developed and implemented through the SOs. | | | |

Chapter 7: Technical Cooperation Programme

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|----------------|
| 7.01 | 4,604 | 0 | 4,604 |
| 7.02 | 136,217 | 0 | 136,217 |
| Total | 140,821 | 0 | 140,821 |

Scope of work

247. The Technical Cooperation Programme (TCP) is presented as a separate chapter in the Appropriation Resolution for budgetary purposes. It comprises two main components – the TCP Management and Support, shared between headquarters and the decentralized offices, and TCP Projects, providing direct assistance to member countries. From the TCP Projects appropriation, 82 percent is earmarked for development projects and distributed across regions under the management of Regional Representatives, 15 percent is earmarked for emergency projects and 3 percent for inter-regional projects, as shown in *Annex II*.

248. Measures for further enhancement of the Technical Cooperation Programme, consistent with the Strategic Thinking Process and Country Programming Frameworks, were approved by the Council at its 145th session. These include the use of CPF as the entry point for the prioritization of in-country TCP technical assistance in line with the Strategic Objectives, greater roles and responsibilities for decentralized offices in monitoring and reporting on TCP projects, and further simplification and harmonization of TCP procedures.

249. The measures also focused on facilitating a more strategic use of TCP resources and ensuring that TCP interventions are aligned to national priorities through the CPF. Guidelines for CPF formulation were amended to allow identification of outputs in the CPF results matrix to which TCP assistance can contribute. These contributions constitute a pipeline of TCP projects that benefit from simplified procedures, strengthening the effective management of the TCP, shortening approval time and ensuring a greater role and responsibilities for the decentralized offices.

Enhancements for 2016-17

250. In 2016-17, efforts will aim at consolidating enhancement brought in 2014-15 by expanding capacity development, especially in decentralized offices. Targeted outreach material and information tools will be developed. Monitoring and reporting on the use of the TCP appropriation will be further strengthened, including qualitative aspects of sustainability and results in alignment with improvements brought to the project cycle.

251. An increase of USD 6.1 million for the Technical Cooperation Programme in the 2016-17 net budgetary appropriation (Chapter 7) will bring the TCP from the current 13.4 percent to 14 percent of the Programme of Work and Budget, in line with Conference Resolution 9/89. These additional resources will be allocated to support Small Island Developing States (SIDS), with a focus on the impact of climate change. The 40 SIDS⁶⁷ members of FAO belong to four regions.

⁶⁷ Including seven high-income economies with limited access to TCP resources (TCP emergency and TCP facility only).

| CHAPTER 7: TECHNICAL COOPERATION PROGRAMME | | | |
|---|--|---|---------------------------|
| Outcome statement – TCP delivered effectively, in full alignment with SOs, and in support of the implementation of the CPF results | | | |
| 7.1: TCP management and support | | | |
| Key performance indicators | | Baselines | Targets (end 2017) |
| 7.1.A | Approval rate of TCP resources against 2016-17 appropriation | Approval rate against 2014-15 appropriation | 100% |
| 7.1.B | Delivery rate of TCP projects against 2014-15 appropriation | Delivery rate of TCP projects against 2012-13 appropriation | 100% |

Functional Objective 8: Outreach

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 8.01 | 32,984 | 55 | 33,039 |
| 8.02 | 32,919 | 81 | 33,000 |
| 8.03 | 10,950 | 3 | 10,953 |
| Total | 76,852 | 140 | 76,992 |

Scope of work

252. Functional Objective 8 provides the basis for measuring the outreach functions of the Organization, comprising partnerships, advocacy and capacity development; communications; and resource mobilization and South-South Cooperation. The responsible business units are, respectively, the Office for Partnerships, Advocacy and Capacity Development (OPC); the Office for Corporate Communication (OCC); and the South-South and Resource Mobilization Division (TCS).

253. Four outcomes drive the work undertaken under this Objective: i) to embed into FAO's ways of working the strategy and policy on corporate communications, and the strategies for partnerships with civil society organizations and with the private sector; ii) to implement FAO's strategies for resource mobilization and South-South Cooperation to support the Strategic Framework; iii) to meet corporate needs for voluntary contributions and expand South-South Cooperation partnerships, while diversifying the partnership base; and iv) to empower the decentralized offices by providing them with the capacities, tools, technical support and advice to meet local requirements for outreach.

Priorities for 2016-17

Partnerships, advocacy and capacity development

254. The main priority is to ensure the engagement of a variety of non-state partners to enhance the scope and results of the Strategic Objectives, while advocating FAO's messages and contributing to long-term enhancement of capacities of Member States. Work will be focused on five main areas:

- a) identify, promote and develop strategic partnerships within each of the SOs and develop the tools that FAO staff need to promote and implement partnerships, including a harmonized monitoring and evaluation system;
- b) engage non-state actors in the implementation of the Voluntary Guidelines for the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security (VGGT) using the Regional Initiatives as entry points, promoting multi-stakeholder dialogue with emphasis on the aspects of access and rights to land;
- c) support the creation of parliamentary fronts against hunger in Asia and Africa at national and regional levels through South-South Cooperation, promote family farming policies based on the results of the International Year and develop advocacy campaigns for the Year of Pulses and for traditional food systems and agro-ecology;
- d) enhance the capacities of Member States in the domain of agriculture and food security at institutional and individual levels through support in capacity development to FAO technical units and decentralized offices, as well as in direct support to countries;
- e) develop learning resources including e-learning modules responding to specific demands of the SOs, documenting and disseminating good practices, and promoting and supporting open data systems and common standards for sharing agricultural knowledge.

255. Work in four areas will be deemphasized or refocused:
- a) system support to initiatives such as AGRIS and AGROVOC will be handed over to partners, so that FAO can focus on information system policies and standards;
 - b) support to the Alliance Against Hunger and Malnutrition, which will be subsumed into advocacy initiatives on the Right to Food through the parliamentary fronts;
 - c) Communications for Development will be refocused on contributions to family farming;
 - d) follow-up to the World Summit on the Information Society (2004) is completed.

Communications

256. Flexible, strategic and targeted communications help mobilise support for the achievement of FAO's goals and Strategic Objectives, as well as for individual initiatives. Communications is carried out by the Office of Corporate Communication (OCC), through a network of communications experts, in headquarters, regional and liaison offices and other locations worldwide.

257. The communications priorities for 2016-17 will be focused on four areas:
- a) increase the visibility of FAO as a centre of excellence leading the fight against hunger and malnutrition in all areas related to its mandate;
 - b) support the communication needs of the Organization under the Strategic Framework, highlighting the work done to help Members achieve the Strategic Objectives including through the regional initiatives, with particular emphasis on results at country level;
 - c) strengthen the dissemination of FAO's knowledge and expertise with the use of electronic means and innovative approaches. This will include the reinforcement of FAO.org as the main communication channel of the Organization, increased coverage in social media and enhanced communication services for Permanent Representatives using the Web and mobile apps;
 - d) reinforce the impact of FAO's actions and dissemination efforts with the collaboration of partners in areas related to media, social media and publishing. In this regard, strategic partnerships with key media outlets in all FAO languages will be established to ensure outreach of the key messages of the Organization.

Resource mobilization and South-South Cooperation

258. During the biennium efforts will be made to: i) increase and diversify the resource base; ii) ensure that resources mobilized are supporting Corporate Areas for Resource Mobilization, Regional Initiatives and Country Programming Framework agreed with national authorities; and iii) encourage partners to allocate resources with less earmarking. FAO will also ensure that resources allocated to support corporate priorities are managed effectively and in accordance with corporate operational guidance and procedures.

259. FAO will continue to develop innovative ways of financing, such as through the Africa Solidarity Trust Fund (ASTF), the FAO Multipartner Programme Support Mechanism (FMM) and the Special Fund for Emergency and Rehabilitation Activities (SFERA) to secure more flexible resources to support agreed priorities. In addition to engaging with traditional partners in support of the Organization's priorities, efforts will be made to upscale engagement with emerging partners, such as the Global Environment Facility and through Unilateral Trust Funds. Building on the momentum of South-South Cooperation, FAO will facilitate dialogue and leverage a larger pool of technical and financial Southern providers to meet growing demands, in particular from middle-income countries. Greater effort will be made to empower and build capacities of the Strategic Objectives teams, as well as decentralized offices, in resource mobilization, South-South Cooperation and project cycle management, in order for FAO to respond to more effectively to country, regional and global needs.

| FUNCTIONAL OBJECTIVE 8: OUTREACH | | | | |
|---|--|-----------------------------------|----------------------------|----------------------------------|
| Outcome statement - Delivery of FAO's objectives is supported by diversified and expanded partnerships and advocacy, increased public awareness, political support and resources, and enhanced capacity development and knowledge management | | | | |
| 8.1: Partnerships, advocacy and capacity development | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 8.1.A | Number of critical partnership engagements brokered and/or advocacy initiatives on corporate priorities undertaken | 20 | 15 | 30 |
| 8.1.B | Number of Strategic Objectives where FAO's approach to measuring results of capacity development support is implemented | 0 | 1 | 4 |
| Outputs | | | | |
| 8.1.1 | Key partnerships promoted and strengthened. | | | |
| 8.1.2 | Advocacy support provided to FAO's corporate priorities and Strategic Objectives. | | | |
| 8.1.3 | Advice and support provided to SO Teams to mainstream capacity development in FAO's work. | | | |
| 8.2: Communications | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 8.2.A | User visits to the FAO.org (based on Web access statistics) | 6 million per month | 6.5 million per month | 7 million per month |
| 8.2.B | Level of media presence (number of hits) as measured by Meltwater Media Monitoring Service | 12,500 news hits per month | 13,200 news hits per month | 14,000 news hits per month |
| Outputs | | | | |
| 8.2.1 | New relationships with global, regional and national media forged. | | | |
| 8.2.2 | Overhaul of the Organization's worldwide Web and social media presence to align them to its Strategic Objectives. | | | |
| 8.2.3 | Development and promotion of corporate approaches, tools and methodologies in knowledge dissemination and improved management of information. | | | |
| 8.3: Resource Mobilization and South-South Cooperation | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 8.3.A | Biennial level of voluntary contributions mobilized (2014-15) | USD 1.6 billion (2010-13 average) | USD 1.6 billion (2014-15) | USD 1.6 billion (2016-17) |
| 8.3.B | Number of countries with a realistic Resource Mobilization target | 17 | 50 | All countries with CPFs in place |
| Outputs | | | | |
| 8.3.1 | Expanded and diversified base of partners with which FAO works, including through South-South Cooperation. | | | |
| 8.3.2 | Organization-wide culture and capacity for resource mobilization and South-South Cooperation, in particular through staff training in decentralized offices created or improved. | | | |
| 8.3.3 | Resource mobilization and South-South Cooperation integrated in new or revised CPFs. | | | |
| 8.3.4 | Voluntary contributions are aligned with the agreed priorities of the work of the Organization, consistent with FAO policies, monitored and accounted for. | | | |

Functional Objective 9: Information technology

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 9.01 | 36,026 | 4 | 36,030 |
| Total | 36,026 | 4 | 36,030 |

Scope of work

260. Functional Objective 9 covers the provision of timely, quality, effective and cost-efficient, customer-oriented IT solutions and services in support of FAO business needs. These are measured through three key performance indicators. The responsible business unit is the Information Technology Division (CIO) which has authority over all IT activities of the Organization.

261. As reported in the Mid-Term Review Synthesis Report 2014,⁶⁸ CIO was re-engineered and restructured during 2014 so as to align it more closely with the strategic needs of the Organization and reduce costs as foreseen in the Adjustments to the PWB 2014-15.⁶⁹ This comprised two elements: re-evaluating client needs and the potential for IT support to programme delivery; and improving productivity and client service, through streamlining and reorganizing, benchmarking more extensively against professional standards, and modernizing the management and cost control structures leading to a reduction in the use of consultants and work orders.

Priorities for 2016-17

262. Priorities for the 2016-2017 biennium and main expected outputs are:

- a) supporting FAO's capacity to deliver by introducing innovative IT solutions and services, including an integrated technology platform that will act as a "single-version-of-the-truth" for data and information, simplifying processes and reducing fragmentation and duplication;
- b) ensuring that all FAO locations worldwide have the same level of access to core IT services;
- c) supporting operational capabilities across FAO through IT solutions and services that are available, performant and secure;
- d) coordinating and reviewing IT initiatives and activities across FAO through IT architecture and governance, and a set of policies and standards aiming to ensure timely and cost-effective IT outputs.

263. During the 2014 re-engineering and restructuring process, CIO's business model was reviewed. The results of this review are nearing completion in early 2015 and should provide opportunities for further savings in the next biennium, including under Capital Expenditure. It may also require a change to the Outputs for Functional Objective 9. Any such change, should it prove necessary, will be reported in the Adjustments to the Programme of Work and Budget 2016-17.

⁶⁸ PC 117/5 – FC 157/7

⁶⁹ CL 148/3 paragraphs 16-19

| FUNCTIONAL OBJECTIVE 9: INFORMATION TECHNOLOGY | | | | |
|--|---|------------------|---------------------------|---------------------------|
| Outcome statement - FAO business needs are addressed in timely manner in all geographical locations through timely, quality, effective and cost-efficient customer-oriented IT solutions and services | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 9.1.A | Level of client satisfaction with IT at FAO by main area of work, <i>measured by:</i> – <i>percentage of clients fully satisfied (source: annual client survey)</i> | n/a | 60% | 70% |
| 9.1.B | Percentage of Service Level Agreements (SLA) whose targets are met, <i>measured by:</i> – <i>annual service performance reviews</i> | n/a | 70% | 80% |
| 9.1.C | Percentage of FAO projects with IT components that are delivered on time, quality and within budget, <i>measured by:</i> – <i>IT Project Portfolio</i> | n/a | 70% | 80% |
| Outputs | | | | |
| 9.1.1 | Cost effective, timely and quality services are provided. | | | |
| 9.1.2 | Efficient, effective and secure information systems, able to evolve to meet the changing business needs, support FAO's operations, administration and substantive work. | | | |
| 9.1.3 | A corporate data repository that offers a "single version of the truth" and a portfolio of business intelligence tools is developed and provided. | | | |
| 9.1.4 | A comprehensive set of IT tools which satisfy the needs for collaboration and communication is provided. | | | |
| 9.1.5 | FAO IT policies, architecture and standards that enable effective delivery of sustainable IT business solutions under increasing budgetary pressure defined, and applied throughout the Organization. | | | |
| 9.1.6 | An IT project portfolio prioritizing, monitoring and controlling initiatives with IT components at FAO is provided. | | | |

Functional Objective 10: FAO governance, oversight and direction

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 10.01 | 26,863 | 451 | 27,314 |
| 10.02 | 15,808 | 135 | 15,943 |
| 10.03 | 39,322 | 592 | 39,914 |
| Total | 81,992 | 1,179 | 83,171 |

Scope of work

264. Functional Objective 10 provides the basis for measuring the functions concerned with FAO governance, oversight and direction. The responsible business units are the Conference, Council and Protocol Affairs Division (CPA), the Office of Evaluation (OED), the Office of the Inspector-General (OIG), the Office of the Director-General (ODG), the Legal and Ethics Office (LEG), the Office of Strategy, Planning and Resources Management (OSP), and the Office of Support to Decentralized Offices (OSD).

265. These functions help Members in discharging their responsibilities for the supervision of the Organization, lay out the strategy of the Organization and drive its implementation. This involves focusing on establishing the mechanisms to assess and take action on programmatic results and on the underlying health of the Organization; and supporting effective governance by ensuring compliance with the Basic Texts and with the policies adopted by the Members. A major priority is to complete the transformational change process by putting in place measures to implement the Strategic Framework and strengthen management control.

Priorities for 2016-17

FAO Governance

266. The Conference and Protocol Affairs Division will focus on: servicing effectively the governing and statutory bodies, implementing their decisions in a responsive and transparent way, and communicating this to the Members; improving language services; coordinated action at the regional level to enable Regional Conferences to carry out their governance role effectively; and mainstreaming governance improvements approved by the Members further to the Independent Review of Governance Reforms.

Oversight

267. The Office of Evaluation undertakes in-depth and objective assessments of the work of the Organization across all sources of funds. Work will be carried out in accordance with the multi-year rolling work plan of strategic and programme evaluation 2015-2017 endorsed by the governing bodies,⁷⁰ and will cover:

- a) thematic evaluations related to each Strategic Objective in succession, with evaluations of Strategic Objectives 4, 1 and 5 completed in 2016-17, and those related to Strategic Objectives 2 and 3 initiated;
- b) five to seven country programme evaluations, to ensure maximum contribution to the formulation and implementation of the new cycle of country programming frameworks.

268. Opportunities will be identified to conduct joint evaluations with other UN agencies and, as part of the inter-agency mechanism, to evaluate UN-wide humanitarian interventions for Level 3 emergencies. Impact assessments of selected large-scale FAO emergency operations will be conducted to complement these inter-agency evaluations. While the number of these joint evaluations,

⁷⁰ PC 116/5 and CL 150/5 paragraph 5

inter-agency evaluations and impact assessments will be affected by external factors and hence not predictable, it is expected that approximately six to seven such evaluations would be conducted each year. The Office also expects to support 30-40 project evaluations over the biennium.

269. The Office of the Inspector-General provides advice and assessments of effectiveness of control, risk management and governance processes. A particular area of attention for the Office during 2016-17 will be to work with the Organization's risk management function, other oversight functions and senior management to fully refresh the corporate risk assessment used for its multi-year risk-based internal audit work programme. The expected result is that audit coverage will be revised, de-emphasizing some areas and giving greater prominence to others, to better reflect the risks, opportunities and challenges created by the organizational transformations since 2009, and the development of the risk management function.

Direction

270. Direction encompasses the functions provided by the executive leadership of the Organization, in particular the Office of the Director-General, as well as the Legal Counsel, Strategy, Planning and Resources Management, and Support to Decentralized Offices.

271. The Legal Office discharges its mandate in response to the requests of the Members, the Director-General, and the technical departments and decentralized offices of the Organization. The Legal Office will prioritize its activities based upon the legal and policy priorities established by the Members.

272. The Office of Strategy, Planning and Resources Management will focus on five main priority areas of work: i) results-based work planning and resource allocations by SO Coordinators and decentralized offices; ii) further alignment of voluntary contributions with the FAO results framework; iii) planning, monitoring and reporting of evidence-based results, particularly at country level; iv) consolidating systems support and further developing the FAO Results Dashboard; and v) implementation of the new FAO cost recovery policy. During the biennium the Office will also coordinate the review of the Strategic Framework and the preparation of major planning and reporting documents for consideration by the governing bodies: Programme Implementation Report 2014-15, Mid-Term Review 2016, MTP 2018-21 and PWB 2018-19.

273. The Office of Support to Decentralized Offices will focus on improving the capacity of decentralized offices to make effective use of the resources allocated to them and to deliver results on the ground, through five main priority areas of work: i) further empowerment of Regional Offices in their role to oversee, manage and support the country offices; ii) increasing the effective use of Regular Programme resources by decentralized offices with flexibility to address needs, risks and performance; iii) strengthening managerial skills by further improving the process for the identification, selection and performance assessment of heads of decentralized offices and their deputies; iv) negotiating and implementing new and revised Host Country Agreements for the establishment of new offices or upgrade of existing ones, in a spirit of partnership and at no incremental cost to the Regular Programme budget; and v) improving advocacy and communication about the role and work of decentralized offices.

| FUNCTIONAL OBJECTIVE 10: FAO GOVERNANCE, OVERSIGHT AND DIRECTION | | | | |
|---|--|------------------|---------------------------|---------------------------|
| Outcome statement - Effective direction of the Organization through enhanced political commitment and collaboration with Member States, strategic management and oversight | | | | |
| 10.1: FAO Governance | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 10.1.A | Governing body documents delivered according to deadlines and language requirements. | 70% | 90% | 100% |
| 10.1.B | Implementation of governing body decisions within prescribed deadlines. | 80% | 85% | 90% |
| Outputs | | | | |
| 10.1.1 | Governing and Statutory Bodies serviced effectively with improved language services and decisions implemented transparently. | | | |
| 10.2: Oversight | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 10.2.A | Percentage of recommendations where the agreed management response has been completed by the due date. | 90% | 93% | 95% |
| Outputs | | | | |
| 10.2.1 | Evaluations carried out with quality and timely in the priority areas identified by governing bodies. | | | |
| 10.2.2 | Investigations and risk based audit plan prepared and delivered. | | | |
| 10.2.3 | Strengthened elements of FAO's accountability, internal controls and fiduciary frameworks delivered. | | | |
| 10.3: Direction | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 10.3.A | Organizational Outcomes targets met. | 76% | 78% | 80% |
| Outputs | | | | |
| 10.3.1 | Executive direction provided. | | | |
| 10.3.2 | Strategic direction, monitoring and reporting delivered. | | | |
| 10.3.3 | Legal advice timely provided for internal and technical matters of the Organization. | | | |
| 10.3.4 | Quality support delivered to decentralized offices and guidance provided on country programming and project cycle. | | | |

Functional Objective 11: Efficient and effective administration

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 11.01 | 13,196 | 1,322 | 14,518 |
| 11.02 | 1,996 | 593 | 2,589 |
| 11.03 | 59,762 | 5,365 | 65,127 |
| Total | 74,955 | 7,280 | 82,235 |

Scope of work

274. Functional Objective 11 provides the basis for measuring the effective and efficient management and administration of human, financial and other physical assets and resources through six key performance indicators with biennial targets. The responsible business units are the Corporate Services Department and the Office of Human Resources.

275. Throughout the 2014-15 biennium, the main focus for work on more effective and efficient administration involved putting in place the measures and processes to support FAO's first IPSAS⁷¹ compliant financial statements, strengthening the staff skills mix to meet the requirements of the reviewed Strategic Framework and supporting the management of assets and other resources in the field. Two progress reports on implementation of the human resources strategic framework and action plan during 2014 were provided directly to the Finance Committee.⁷²

276. The delivery of human, financial and administrative services was streamlined at the start of the biennium, allowing for the abolition of 16 positions in the Adjustments to the PWB 2014-15⁷³ as part of the efficiency savings to be achieved in the biennium.

Priorities for 2016-17

277. During the biennium a key focus will be on continuing and further improving the support to decentralized offices and necessary capacity building following the implementation of GRMS⁷⁴ and related decentralization of business operations. To provide better value for money, the Organization will seek to further streamline its business processes based on feedback from users, and implementation of best practice in the public and private sectors. These efforts will be coupled with an emphasis on strengthening monitoring of business processes, both at headquarters and decentralized offices. Further outsourcing to the Shared Service Centres outside of headquarters is expected to bring financial savings and more efficient processing of transactions.

278. For procurement and the procurement support functions at headquarters, decentralization has brought significantly increased demands for advisory services and systematic monitoring to support country offices in delivering best value for money procurement in compliance with the standards expected by the Member States and donors. An enhanced monitoring function will support identification of risks and appropriate risk mitigation measures including development and implementation of new policies, tools, procedures and capacity development to reduce the operational and reputational risk to the Organization. To address these requirements, a reform of the procurement service, which will change the skills mix of the staff by reducing the number of clerical staff and increasing the number of specialized procurement professionals will be undertaken with the aim of strengthening the functions of oversight, backstopping, and both strategic and operational advice throughout the Organization.

⁷¹ International Public Sector Accounting Standards (IPSAS)

⁷² FC 154/11 and FC 156/10

⁷³ CL 148/3 paragraph 109

⁷⁴ Global Resource Management System (GRMS)

279. In the area of finance and accounting, with decentralized offices now managing increasing volumes and values of transactions in addition to more complex accounting activities associated with IPSAS compliance, there are increasing demands for accounting support, system and procedural guidance. To address this requirement and the related risks, the Finance Division will continue to focus on capacity development efforts, including through the provision of virtual and on-site training for the decentralized office network. Monitoring and oversight of financial operations to ensure compliance with financial rules and procedures will be further strengthened both at headquarters and decentralized locations, leveraging the improved reporting, monitoring and analysis tools now available following the implementation of GRMS.

280. In the field of human resources, a key focus will be on implementing the new initiatives and procedures introduced during the current biennium to support the effective delivery of the Strategic Objectives, the other functional objectives and the work of country offices. These cover the whole range of human resource management: improved selection and appointment procedures, workforce planning, gender and geographical balance, staff mobility, performance management and staff learning. To achieve greater streamlining and efficiency in human resources processes, the Standard Operating Procedures developed during 2015 will be implemented throughout the Organization and further automation of human resources and social security processes will be pursued.

| FUNCTIONAL OBJECTIVE 11: EFFICIENT AND EFFECTIVE ADMINISTRATION | | | | |
|--|---|---|---|---|
| Outcome statement - Maximize effectiveness and work towards ensuring value-for-money in fulfilling fiduciary, policy setting and monitoring and control functions | | | | |
| 11.1: Efficient and effective management of human resources | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 11.1.A | Time required to recruit staff. | (2012) 303 days | 120 days | 120 days |
| 11.1.B | Percentage of member countries that are equitably represented. | (Jan 2013) 71% | 75% | 75% |
| 11.1.C | Geographic mobility. | (2010-11) 15 | 75 per biennium | 75 per biennium ⁽¹⁾ |
| 11.1.D | Number of jobs with generic job profiles. | 0% | 60% | 70% |
| Outputs | | | | |
| 11.1.1 | Human resources strategies, policies, procedures and services are effective and efficient and support the attraction, development and retention of a diverse, skilled and motivated workforce. | | | |
| 11.2: Efficient and effective management of financial resources | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 11.2.A | FAO receives an unqualified opinion on its financial statements from the External Auditor. | Unqualified external audit opinion (biennial) | Unqualified external audit opinion (annual) | Unqualified external audit opinion (annual) |
| Outputs | | | | |
| 11.2.1 | Accurate, relevant and timely financial reporting and efficient, effective and well controlled financial services are provided in support of governing bodies, Member Nations, management, resource partners and staff. | | | |
| 11.3: Efficient and effective administration of human, physical and financial resources | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 11.3.A | Level of client satisfaction with quality of service provided (by area of work). | 2011 average for CS services: 62%; 2011 average for CSS services: 74% | 5% improvement in each area | 10% improvement in each area |

| FUNCTIONAL OBJECTIVE 11: EFFICIENT AND EFFECTIVE ADMINISTRATION | |
|--|--|
| Outputs | |
| 11.3.1 | Administrative services and support functions are effective, efficient, streamlined and meet Organizational requirements. |
| 11.3.2 | Health and productivity of FAO's workforce are actively promoted by providing streamlined and effective health services to all employees at headquarters and in decentralized offices. |

Note: Data on the results of the revised mobility policy implemented in 2015 will be available at the end of 2015. The target for 2017 may need to be revised accordingly based on experience.

Chapter 13: Capital Expenditure

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 13.01 | 5,912 | 0 | 5,912 |
| 13.02 | 4,554 | 0 | 4,554 |
| 13.03 | 6,420 | 0 | 6,420 |
| Total | 16,886 | 0 | 16,886 |

Scope of work

281. Conference Resolution 10/2003 established the Capital Expenditure Facility as a chapter of the Programme of Work and Budget. The Facility serves to define and authorize expenditures on tangible and intangible assets with a useful life in excess of FAO's financial period of two years that generally require a level of resources which cannot be funded within the appropriation for a single biennium. Financial Regulation 6.11 authorizes the transfer of any balance in the Capital Expenditure Account for use in the subsequent financial period.

282. As such, this financing facility provides investment required to maintain and improve FAO's products and services in relation to: a) platforms for technical data and information; b) operational and administrative systems; and c) infrastructure and services.

283. At the end of 2013, FAO revised the criteria for the approval of Capital Expenditure proposals. The new criteria brought greater rigour to the assessment of investment quality of Capital Expenditure proposals, in particular as regards corporate significance, measurable benefits and costs, timescales and risks. As a result, units produced higher quality proposals that met these more stringent requirements.

Priorities for 2016-17

284. Work will focus on five main areas of investment.

- a) Investments in the *core ICT infrastructure*, which covers the provision of servers, storage and communication networks to ensure an effective and efficient ICT infrastructure which meets industry standard best-practices and supports the business needs of the Organization.
- b) Investments in *corporate administrative systems* to ensure that the corporate Enterprise Resource Planning (ERP) systems continue to meet the dynamic operational and business requirements of both headquarters and decentralized offices.
- c) Investments in *corporate technical applications* to improve and enhance the management of technical data and information.
- d) Investments in *Management Information Systems* to address operational reporting and data analysis requirements and support management decision making.
- e) Investments in *building infrastructure and facilities* to ensure compliance with health and safety regulations and achieve lower maintenance and running costs.

285. CIO is focusing IT infrastructure and support services investments on changing the paradigm of how these services are provided, with a fundamental shift towards exploiting the outsourcing opportunities now readily available in the IT marketplace. One impact of these opportunities is that there should be a reduction in requirements for future Capital Expenditure investments in IT infrastructure and systems. This is because the current fluctuating requirements to invest one-time in hardware, software and licenses would all but cease, and would be replaced by more predictable and transparent operational costs. Based on the current rate of use of Capital Expenditure and these innovations, the appropriation for Capital Expenditure is reduced by USD 5 million.

| CHAPTER 13: CAPITAL EXPENDITURE | | | | |
|---|--|------------------|---------------------------|---------------------------|
| Outcome statement - FAO capital investments achieve benefits in terms of a more capable and efficient infrastructure and operating environment to serve the business needs of the Organization and Strategic Objectives delivery | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 13.1.A | Percentage of CAPEX allocated to initiatives with defined cost-benefit analysis and benefits realization plan, <i>measured by:</i> – <i>annual review</i> | n/a | 80% | 100% |
| 13.1.B | Percentage of CAPEX projects that are delivered on time, quality and within budget, <i>measured by:</i> – <i>Project Portfolio</i> | n/a | 70% | 80% |
| Outputs | | | | |
| 13.1.1 | Platforms for the management of technical data and information enhanced. | | | |
| 13.1.2 | Operational and administrative systems adapted to meet new and changing business processes. | | | |
| 13.1.3 | IT infrastructure and services improved. | | | |

Chapter 14: Security Expenditure

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|---------------|
| 14.01 | 9,413 | 181 | 9,594 |
| 14.02 | 13,605 | 0 | 13,605 |
| Total | 23,017 | 181 | 23,198 |

Scope of work

286. Security is an essential requirement for doing business in a globally networked world while ensuring staff safety. The political and environmental complexity of today's organizations and the ever-increasing dependence on technology to drive and automate processes make security a challenging activity.

287. The Security Expenditure chapter provides comprehensive coverage of staff and non-staff costs directly related to security and safety of staff and assets under the Expenditure Facility established by Conference Resolution 5/2005. It is divided into headquarters security and field security. It also provides the basis for measuring the provision of a safe and secure working environment at headquarters and decentralized offices. The responsible business units are the Headquarters Security Unit (CSDU) and the Field Security Unit (DDOS).

288. The headquarters security provision aims to ensure a safe and secure operating environment for headquarters programme delivery and provides support for the execution of the Director-General's function as Designated Official for Security for Italy. It includes liaison and coordination with the Host Government and the United Nations Department of Security (UNDSS), establishing systems of security management, providing an enabling environment and ensuring personnel safety and security at FAO headquarters premises. Activities include fire safety, some infrastructural measures and occupational health issues, building on the steps taken over the past few years to put in place a safer and healthier work environment for headquarters staff. To ensure safety of headquarters infrastructure and facilities, specific projects will be carried out on FAO premises resulting in improved safety and working conditions for FAO employees.

289. The field security provision enables the effective and efficient delivery of FAO's programmes, while ensuring the security, safety and wellbeing of staff, through the provision of technical expertise and advice in a manner consistent with FAO's policies and the UN security management system framework. To achieve this objective, field security monitors and assesses the prevailing security environment in countries from the perspective of FAO's operations at country level, in close collaboration with UNDSS and the state of security preparedness of FAO decentralized offices; and proposes corrective measures to increase the security and safety of FAO staff and missions.

290. Progress in the development of the Organization's occupational safety and health (OSH) programme is expected through the work of the Advisory Committee of Occupational Safety and Health, which assembles the key units responsible for safety and health at headquarters and field representations.

Priorities for 2016-17

Headquarters security

291. The headquarters security function will continue to focus on providing a safe and secure operating environment for headquarters programme delivery to both FAO staff and delegates. The efforts will be guided by threat assessments conducted jointly with local authorities and achieved by creating internal capacity for prevention and response in case of emergencies; ensuring a level of training of security personnel compliant with UN and local authorities standards and providing support to staff and delegates in cases of emergencies. The headquarters security service further

provides support to the Director-General in his function of Designated Official for Italy in ensuring a permanent and regular dialogue with UN agencies in Italy.

292. Priorities for the Advisory Committee on Occupational Safety and Health (OSH) include the publication of a common occupational safety and health manual for both headquarters and the field; the development of an OSH awareness training programme for all staff; and defined terms of reference for OSH committees to be established in the field. OSH services to be expanded to the field include counselling services to field offices considered at high-risk and Web-based OSH educational resources.

Field security

293. Given the international security context the Field Security Unit will continue streamlining and harmonizing FAO security resources, both human and financial, to promote greater safety and security in decentralized offices. The approach is in line with the United Nations Security Management System in the implementation of the concept “no programme without security”.

294. Priorities for the Field Security Unit will be to deliver efficient, focused support to FAO Offices through four approaches: anticipation, prevention, protection and response. The aim being to mitigate risks from armed conflict, terrorism, crime, civil unrest and natural disasters. The Field Security Unit will continue to provide decentralized offices with technical expertise, funding for security equipment, advice and operational support. Security Advisers are also placed in high-risk locations, including two regional offices and are on permanent call to respond to incidents and provide other advice as required.

| CHAPTER 14: SECURITY EXPENDITURE | | | | |
|---|--|------------------|---------------------------|---------------------------|
| Outcome statement - FAO employees are able to carry out their functions safely and securely in all locations where the Organization operates | | | | |
| 14.1: Safe and secure operating environment for headquarters programme delivery | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 14.1.A | Percentage of staff having completed Basic Security Training | % | 100% | 90% ⁽¹⁾ |
| Outputs | | | | |
| 14.1.1 | Safe and secure operating environment for headquarters programme delivery is ensured. | | | |
| 14.2: Safe and secure operating environment for worldwide programme delivery | | | | |
| Key performance indicators | | Baselines | Targets (end 2015) | Targets (end 2017) |
| 14.2.A | Percentage of decentralized offices that comply with Minimum Operating Security Standards (MOSS) | 88% | 91-100% | 100% |
| 14.2.B | Percentage of international staff at decentralized offices that comply with Minimum Operating Residential Security Standards (MORSS) | 95% | 91-100% | 100% |
| 14.2.C | Percentage of reported security-related incidents at decentralized offices with prompt follow-up | 100% | 91-100% | 100% |
| 14.2.D | Percentage of deployments of field security professionals within 72 hours to assist decentralized offices in security-crisis management, as required | 90% | 90% | 90% |
| Outputs | | | | |
| 14.2.1 | Safe and secure operating environment for worldwide programme delivery is ensured. | | | |

Note : In consideration of time lags in completing and recording completion of the Basic Security Training, the target has been revised to a realistic level

Contingencies

| Organizational Outcome | Net Appropriation | Extrabudgetary | Total |
|------------------------|-------------------|----------------|------------|
| 12.01 | 600 | 600 | 600 |
| Total | 600 | 600 | 600 |

295. The provision for contingencies remains unchanged since the PWB 1980-81.

Transfer to Tax Equalization Fund

296. The Tax Equalization Fund was established as of 1 January 1972.

297. In line with the practice followed since 1972-73, the 2016-17 budget is presented on a gross basis, by adding to the total effective working budget an appropriation for staff assessment.

298. This will have no effect on the contributions payable by Members not levying tax on FAO staff emoluments; their full share of the staff assessment appropriation is refunded, by deduction from the contributions payable by them.

299. Members which levy tax on FAO staff emoluments will have their shares of the appropriation for staff assessment reduced by the amount estimated to be required to meet claims from the FAO staff concerned for tax reimbursement.

300. The amount of USD 90.1 million provided for 2016-17 represents the difference between gross and net salary costs based, as far as professional staff and above are concerned, on the UN salary scales as of 1 January 2015.

301. The application of credits arising from the Staff Assessment Plan against Members' assessments will be presented after the Conference has decided on the scale of contributions to be applied for 2016-17.

Regional dimensions

| Region | Net Appropriation | Extrabudgetary | Total |
|---------------------------------|-------------------|------------------|------------------|
| Headquarters/Global | 600,219 | 284,836 | 885,055 |
| Africa | 148,191 | 609,510 | 757,701 |
| Asia and Pacific | 85,230 | 311,899 | 397,129 |
| Europe and Central Asia | 53,361 | 38,406 | 91,767 |
| Latin America and the Caribbean | 77,282 | 175,407 | 252,689 |
| Near East | 47,465 | 130,089 | 177,555 |
| Total | 1,011,748 | 1,550,147 | 2,561,895 |

302. At each of the Regional Conferences in 2014, updated regional priorities were considered under the overall umbrella provided by FAO's five Strategic Objectives, along with a set of regional initiatives to address these priorities. A total of fifteen Regional Initiatives were endorsed by the Regional Conferences.

303. The Regional Initiatives serve as a mechanism to ensure effective delivery and impact, providing a cohesive framework for FAO's actions at country level in each of the regions, through common themes across country priorities. Country Programming Frameworks are aligned with national priorities and identify the priority areas of work for collaboration between FAO and the government.

304. In the coming biennium, FAO will focus on the Regional Initiatives and country priorities as described below. The work will be driven and measured by specific outputs and indicators through a country level corporate results monitoring and reporting framework. This will mean a sharper focus at regional and country level to enable FAO to effectively contribute to the achievement of country level outcomes under each of its SOs. The indicative level of financial resources expected to be available in each region is provided below and broken out by Strategic Objective in *Annex II*.

AFRICA

Priorities

305. Key priorities arising from the 2014 African Regional Conference (ARC) include ending hunger (SO1); rural poverty reduction (SO3); increased resilience of livelihoods (SO5); improved conditions for sustainably increasing the production and productivity of crops; livestock and fisheries and the promotion of sustainable use and management of natural resources (SO2); the need to support market access and sanitary measures to improve trade and enable smallholders to be more efficient and competitive (SO4); and upscaling good practices for youth employment in agriculture and strengthening the implementation of social protection programs (SO3) were stated as priority areas. Other priority areas were strengthened capacity in agricultural statistics, monitoring and evaluation, addressing the regional aspects of and spillovers from national crises; improved dissemination of information and communication; and development of rice as particular commodity of interest to the region.

306. FAO is addressing these priorities through three regional initiatives endorsed by ARC, which will continue into the 2016-17 biennium, and other areas of focus. The technical capacity of the Regional and Subregional Offices will be strengthened to respond to these priorities, with the addition of three professional posts each in nutrition and crops, and one post each in animal health, aquaculture, and statistics.

Regional Initiatives

307. *Africa's 2025 Zero Hunger Challenge* calls for accelerated action by member countries in the fight against hunger through the establishment of ambitious targets, enhanced programme delivery and improved coordination and accountability. Integrated into the African Union's "Implementation Strategy and Roadmap to Achieve the 2025 Vision on CAADP", it aims to add value to ongoing work at country level through an integrated approach to food security and nutrition, identifying concrete windows of opportunity and interventions to achieve Malabo Declaration commitments. In 2014, the initiative led to several notable outcomes in addition to laying the foundation for accelerated implementation and achievement in 2015 and beyond. Moving forward, FAO seeks to build on these results, placing greater emphasis on enhancing political commitment, evidence-based and inclusive governance mechanisms, accountable, results-focused programme delivery and a gender-sensitive approach. Central focus areas will include youth employment, social protection, nutrition-sensitive investments, innovative South-South Cooperation and improved service delivery to smallholder farmers to increase productivity and reduce post-harvest losses.

308. The initiative *Integrated management of agricultural landscapes in Africa* seeks to promote and upscale a landscape approach to increasing production and productivity for the crops, livestock, forestry, aquaculture and fisheries sectors, and develop their value chains, in order to address the challenges of food and nutrition security and rural poverty. It builds on the ongoing promotion of best practices related to the principles of on-farm and off-farm production and post-production processes, and addresses the need to improve productivity, while creating opportunities for decent rural employment, especially for young people. In 2014, the initiative led to several outcomes in sustainable agribusiness models development, sustainable production of crops, livestock, fisheries and forestry and sustainable natural resource management. Moving forward and building on initial results, FAO seeks to further promote policy dialogue on the integrated management of landscapes, as well as capacity development on integrated crop, livestock and forestry approaches. In this context, for the 2016-17 biennium, the initiative would look into narrowing its programme to be more focused on select priority communities whose development would be approached in an integrated manner and from a value chain perspective.

309. The initiative *Building resilience in Africa's drylands* contributes to strengthening the resilience of livelihoods through institutional capacity development for risk and crisis management, information management and early warning systems, community level vulnerability reduction, preparedness and response to emergencies and crises. It focuses on nine semi-arid and arid countries of the continent and in particular in the Sahel and Horn of Africa where livelihoods are most vulnerable to threats and crises. It addresses the differentiated needs of various groups of women, men and youth, while taking cognizance of the fact that women are more vulnerable to a whole range of threats compared to men. In 2014, the initiative resulted in outcomes on strengthening institutional capacities for resilience analysis, management of transboundary threats, and exchange of good practices for resilience building, as well as emergency preparedness and response. In addition to consolidating the support initiated in 2014, there will be a particular focus on ensuring that the initiative contributes in a strategic and consolidated manner to the early-warning early-action linkages, the promotion of financial risk-transfer mechanisms, capacity development in emergency preparedness and the replication and scale-up of proven resilience good practices.

Other areas of focus

310. Three other priority areas identified by the Africa Regional Conference will be addressed during the biennium:

- a) decent youth employment and entrepreneurship in agriculture and agribusiness, based on an action plan for the period 2015-2017;
- b) rice development in collaboration with research and development partners for the promotion and wider development of the commodity in the region;

- c) strategic commodity value chains for improved competitiveness and value addition, building on work being done on the rice value chain to include another commodity in 2016-17 (e.g. animal feed for fisheries and livestock).

311. FAO will continue to support the Africa Solidarity Trust Fund (ASTF) Steering Committee which is currently consisting of Equatorial Guinea, Angola, the Chair of the Africa Group, the Chair of the FAO Regional Conference for Africa, the African Union and the FAO Secretariat. The ASTF resources are pooled from Africa's strongest economies and used across the continent to implement initiatives in the framework of the African Union's Comprehensive Africa Agriculture Development Programme (CAADP) to boost agricultural productivity and food security in the region. FAO supports the design, implementation and monitoring of the ASTF initiatives and ensures that they are aligned with the reviewed Strategic Framework and priority programmes of FAO, which are consistent with the priorities for Africa as determined by the FAO Regional Conference.

312. In follow-up to the Second International Conference on Nutrition, FAO is mainstreaming nutrition as a cross-cutting theme in the reviewed Strategic Framework and has deployed three nutrition officers in the region (as noted above) to work directly with ECA, NEPAD and countries on nutrition matters.

ASIA AND THE PACIFIC

Priorities

313. Key priorities arising from the 2014 Asia and the Pacific Regional Conference (APRC) include strengthening food and nutrition security (SO1), fostering agricultural production and rural development (SO2 and SO3), developing local value chains particularly in Pacific Island countries (SO4), enhancing equitable growth and rural development and coping with the impacts of climate change (SO 3 and SO5), and capacity to respond to agricultural threats and emergencies (SO5). Other areas of priority were related to statistics, information and policy formulation and the regional implementation of the Globally Important Agricultural Heritage Systems. FAO is addressing these priorities through four regional initiatives endorsed by APRC, which will continue into the 2016-17 biennium, and other areas of focus.

Regional Initiatives

314. *Asia and the Pacific's Zero Hunger Challenge* supports the translation of regional commitment for achieving zero hunger into country level action drawing from UN Secretary-General's Zero Hunger Challenge and on FAO's comparative advantages and experience in the region, namely: i) formulating and launching National Zero Hunger Challenge Action Plans, national food security and nutrition policies and investment plans; ii) improving capacity for assessment and measurement of undernourishment; and iii) improving child nutrition, especially reducing stunting.

315. *Asia and the Pacific's Regional Rice Initiative* aims to promote sustainable and more productive rice farming practices through effective provision and utilization of ecosystem services and goods derived from rice-based farming systems and landscapes, build a knowledge base and evidence for resource use and production efficiency, and realize food-secure, better nourished and prosperous rice farmers and consumers in the Asia-Pacific region through the formulation and implementation of rice strategies or policies at country level. Activities under this regional initiative focus on formulating rice strategy policies, building farmers' capacity, and promoting sustainable intensification of rice production.

316. *Asia and the Pacific's Blue Growth Initiative* focuses on supporting sustainable growth of aquaculture with better production efficiency and sound environmental and socio-economic benefits. It will be achieved through improved governance, ecosystem approaches and participatory processes in planning and management and actions at different levels, which contribute to poverty reduction, increased food security and improved nutrition of rural communities. It emphasizes promoting good production practices, applying appropriate tools for effective monitoring ecological and social and economic impacts, improved resource rents, supporting management of transboundary issues and

adaptation to climate change to ensure the sustainable intensification in aquaculture production. To support this work, the capacity of the Regional Office will be strengthened with a new post of Aquaculturist.

317. *Value chains for food security and nutrition in the Pacific Islands* initiative supports Pacific institutions and national partners to improve the capacity of local food producers and related businesses to supply more food, especially indigenous food resources to domestic and tourist markets to meet demands for a balanced and nutritious diet. This includes supporting the development of policy and regulatory frameworks which, in turn, rely on improvements in capacity to assemble, integrate, analyze and disseminate information on food, nutrition and natural resources. Main areas of focus are on building evidence base for policy-making and strengthening regional institutions for an enabling environment. To support this work, the capacity of the Subregional Office for the Pacific Islands will be strengthened with a new post of Economist/Statistician.

Other areas of focus

318. Many countries in the regions, particularly the Pacific Islands, are vulnerable to the impact of climate change. FAO will assist with policy formulation, identifying innovative technologies and appropriate practices, promoting climate smart agriculture, and providing technical assistance and capacity development to help countries adapt their agricultural systems to the impact of climate change. FAO will also help countries to strengthening Disaster Risk Reduction (DRR) and improving capacity to respond to food and agricultural threats and emergencies through a shift in emphasis from purely emergency response towards broad-based and concerted disaster risk reduction, preparedness and prevention.

319. To address growing pressure on natural resources, FAO will help countries in the region reduce natural resource degradation, increase resource productivity, conserve genetic resources, promote the conservation of rural landscape and agricultural heritage systems, and implement voluntary guidelines on tenure and responsible agriculture investment (RAI) through capacity development, regional collaboration and policy guidance.

320. Approximately 42 percent of fruits and vegetables and up to 30 percent of grains produced in the region are lost between production and the market. Through the *Save Food Campaign*, FAO will develop partnerships and collaborative initiatives and actions at regional and country levels with a range of stakeholders to reduce post-harvest losses at different stages of the value chain, reduce food waste at retail markets, restaurants and household levels, establish educational curriculum and school learning programmes, and action plans to up-scale the interventions at national level.

321. Rural employment and incomes will be addressed through enhancing synergy between smallholder farming and value chain development and reduce the pace of rapid urban migration and retain young successor farmers in rural areas. Linked to this work, child undernourishment will be addressed by focusing on food based nutrition as well as nutrition promotion at primary schools and household level through school and home gardens.

EUROPE AND CENTRAL ASIA

Priorities

322. Priority areas of work identified by the 2014 Regional Conference for Europe include strengthening food security and nutrition and fisheries in a sustainable manner (SO1); policy advice to governments in support of sustainable intensification for smallholders (SO2, SO3, SO4); natural resource management, including climate change mitigation and adaptation (contributing to SO2, SO3, SO5); control of animal disease, plant pests and food safety hazards (contributing to SO2, SO4, SO5); and policy and institutional support for entry of Member States into regional and global trade, standard-setting and organizations of regional economic cooperation (SO4). FAO is addressing these priorities through two regional initiatives endorsed by ERC, which may be further developed in the 2016-17 biennium, and other areas of focus.

Regional Initiatives

323. *Empowering smallholders and family farms in Europe and Central Asia.* The overall goal of the initiative is to empower smallholders in order to strengthen their livelihoods, thereby reducing rural poverty, with particular emphasis on inclusiveness through work both at the institutional and community level, working with partners, to achieve three results over the biennium: increased participation of farmers and rural communities in national development; enhanced sustainable and inclusive growth of rural economies, and improved sustainable management of natural resources. Initial results of the initiative include the promotion of innovative practices and considerable capacity development of governments and local institutions, complemented by improved policies and raised awareness.

324. *Agri-food trade and regional integration in Europe and Central Asia.* Agricultural systems in Europe and Central Asia are still deeply affected by the process of political and economic transition which coincided with globalization and deepening regional and global trade integration. The purpose of this initiative is to increase regional and national capacities to deal effectively with the challenges posed by greater trade integration. It does this by developing better evidence on trade implications, improving the capacity of the countries to use this evidence, facilitating neutral fora and dialogues on trade agreements, and supporting design and implementation of appropriate policies at country level. A dynamic Web site was put in place where work under this initiative is presented and regularly updated in English and Russian languages.

Other areas of focus

325. New areas of focus are emerging for the region. These include follow-up work to the ICN2 based on decisions taken at the Conference; the development of the concept of climate-smart agriculture and associated implementation tools across the region; technical support to work funded by the Global Environment Facility, particularly in the forestry sector; and the application of the Post-2015 development agenda in the region as far as it concerns agriculture and food security.

326. To facilitate such focus, the Organization is making a concerted effort to de-emphasize specific areas of work previously undertaken, but now of lesser relevance in the region, including: national forest programmes; legal frameworks and forest policy development; cereal crops seed production (except seed improvement and genetic varieties); marine fisheries in the Mediterranean; and support to biotechnologies research (except biosafety regulation work).

327. In order to better align FAO's work in forestry within the Europe and Central Asia region, the three forestry posts located in the joint FAO/UNECE Forests and Timber Section in Geneva (and budgeted in the FAO Liaison Office for the UN in Geneva) will report directly to the Regional Office in Budapest rather than to the Forestry Department in Rome. Therefore, the posts are now budgeted in the Regional Office and the incumbents are outposted to the FAO/UNECE joint section in Geneva.

LATIN AMERICA AND THE CARIBBEAN

Priorities

328. Priority areas of work identified by the 2014 Regional Conference for Latin America and the Caribbean (LARC) include enhancing food security and nutrition (SO1); increasing production efficiency and adoption of good practices for sustainable agriculture, livestock, forestry and fisheries (SO2); reducing poverty and improving social protection in rural areas, enhancing rural territorial development and family farming (SO3); developing inclusive, efficient, sustainable and competitive food and agricultural systems and reducing food losses and waste (SO4); and the reduction of the impact of shocks and disasters, improved food and nutrition security, as well as help reduce the pressure on and rehabilitation of natural resources (SO5).

329. FAO is addressing these priorities through three regional initiatives endorsed by LARC, which will continue into the 2016-17 biennium, and other areas of focus. The Regional Initiatives aim to achieve concrete results in focus countries through strengthening government policy, institutional and legal frameworks, including multi-stakeholder participation, and promotion of gender as a cross-cutting issue among its activities.

Regional Initiatives

330. *Support to the Hunger-Free Latin America and Caribbean* initiative seeks to reinforce the Hunger-Free Latin America and the Caribbean Initiative (HFLACI) created in 2005 to foster conditions for the permanent eradication of hunger in a time frame corresponding to one generation. This collaborative process is based on the cooperation between different countries, sectors, and stakeholders such as civil society, parliamentarians, academia and the private sector. An essential aspect of the initiative is strengthening South-South Cooperation and in particular, recognizing the significant progress made and experiences in the region that should form part of the solutions to this common challenge.

331. *The initiative on family farming and rural territorial development in Latin America and the Caribbean* was created as a cooperation strategy focused on strengthening family farming and rural territorial development institutions and capacities in order to contribute to reducing rural poverty and enhancing food and nutrition security. The initiative supports countries in creating an environment that allows family farming to play a central role in national economies, rural territorial development and local innovation, promoting synergies between agriculture and other social and rural development sectors, and taking into account the needs and specificities of different territories.

332. *Improving food systems in the Caribbean* initiative addresses two fundamental problems faced by countries across the Caribbean region: limited value chain development of food and feed crops, and low utilization of domestic agricultural products. Focus countries are expected to develop and establish sustainable food systems through improved policy and governance for increased investment, production, employment, trade and consumption. The major benefits expected under this initiative are: i) the development of existing alternative food and feed production and marketing systems; ii) strengthened governance frameworks including a cross-section of public, private, and civil society organizations; iii) strengthened linkages and capacities promoting increased utilization of national products at commercial and household levels.

Other areas of focus

333. FAO will provide support to the Community of Latin America and Caribbean States (CELAC) in the implementation of the Plan for Food Security, Nutrition and Hunger Eradication 2025, the Functioning Framework for the Ad Hoc Working Group on Family Farming and regional initiatives oriented to the prevention, reduction and disaster risk management, in coordination with other UN Agencies and regional organizations.

334. Attention will be given to strengthening the actions of the Committee on World Food Security as an international and intergovernmental platform that enables joint and coordinated work by many stakeholders in the region. For instance supporting at country level the implementation of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security or promoting the engagement of multiple stakeholders, including parliamentary alliances, in regional and national dialogues for the design and implementation of public policies for food security and rural development.

335. Specific issues affecting the subregions (Mesoamerica, the Caribbean and South America) will be addressed, in particular the need to support countries in climate change adaptation and food security, with special attention to vulnerable groups. In particular, capacity development and South-South and Triangular Cooperation will be reinforced to support Haiti's efforts in the eradication of hunger and rural poverty.

336. The recommendations of regional technical commissions (LACFC, CODEGALAC, COPESCAALC and WECAFC)⁷⁵ will be followed-up as they relate to the contribution of forests, livestock, fisheries and aquaculture in reducing poverty and food insecurity, as well as in sustaining population livelihoods, especially those of family farmers. In this regard, FAO will continue the

⁷⁵ Latin American and the Caribbean Forestry Commission (LACFC); Comisión de Desarrollo Ganadero para América Latina y el Caribe (CODEGALAC); Commission for Inland Fisheries and Aquaculture of Latin America and the Caribbean (COPESCAALC); Western Central Atlantic Fishery Commission (WECAFC)

implementation of the activities launched during the International Year of Family Farming in the region.

NEAR EAST AND NORTH AFRICA

Priorities

337. Priority areas of work identified by the 2014 Near East Regional Conference (NERC) include enhancing food security and nutrition and strengthening capacity to address vulnerability (SO1), protecting and managing scarce and fragile natural resources and adapting to climate change and fostering sustainable and inclusive agricultural production (SO2), enhancing livelihoods of rural people, smallholders and vulnerable populations (SO3), developing efficient, sustainable and competitive food systems and reducing food losses and waste (SO4), and increasing resilience of livelihood systems of communities and ecosystems to threats and crises (SO5).

338. FAO is addressing three key challenges for the region (water scarcity, and challenges related to food security, nutrition and small-scale agriculture) through three regional initiatives endorsed by NERC, which will continue into the 2016-17 biennium, and other areas of focus.

Regional Initiatives

339. The *Near East and North Africa's water scarcity* initiative aims to identify and streamline policies, governance and best practices that can significantly improve agricultural productivity and food security under conditions of severe intensification of water scarcity in the region. The initiative promotes a regional collaborative strategy that focuses on the major priority areas such as strategic planning of water resources, governance, water management efficiency, water supply augmenting including non-conventional water resources, climate change adaptation and drought management, ground water sustainability, benchmarking, monitoring of and reporting on water efficiency and productivity in the region.

340. The *Small-scale agriculture for inclusive development in the Near East and North Africa* initiative focuses on investing in increasing smallholder productivity and value chains as a critical means to reduce rural poverty. It has three main components: evidence-based policy and strategies to improve and enhance the small-scale agricultural sector and the livelihoods of those involved; sustainable improvement of productivity of small-scale agriculture, aiming at youth and gender inclusiveness in the agricultural sector; and strengthening institutions and empowering smallholders, by enabling economically viable and sustainable development in small-scale agriculture.

341. *Building resilience for food security and nutrition in the Near East and North Africa* aims to strengthen the resilience of countries, communities and households to shocks, crises and stresses affecting food security and nutrition, including those emanating from conflicts and protracted crisis, transboundary animal and pest diseases, climate change, droughts and desertification. It focuses on developing coherent risk-informed policy frameworks; strengthening efficient evidence-based food security information and knowledge exchange for effective decision support systems; promoting the development of efficient, sustainable and resilient food systems; promoting sustainable access of households to safe, nutritious and diversified food; and building resilience to anticipate, absorb and recover from the negative impacts of human-induced and natural shocks.

Other areas of focus

342. Policy work will support areas of focus under the regional initiatives, including food security and nutrition policy, agriculture strategies, trade and value chain, natural resources and social protection. Support to transboundary animal diseases will be strengthened through a position transferred from the Animal Production and Health Division.

343. FAO will continue to provide support to countries in the region in the sustainable management and development of their fisheries and aquaculture, forestry and rangeland sectors, through : i) recognition of the importance of the Regional Commission of Fisheries in promoting an effective collaboration between its member countries for the sustainability of the shared fishery resources in the Gulf; ii) provision of policy advice and institutional capacity building of the

concerned government authorities; iii) support to exchange of experiences and best sustainable management and development practices in the fisheries sector between countries of the region, including through South-South Cooperation; iv) the strengthening of the Near East Regional Commission on Forestry and the Rangeland Commission; v) the positioning of the forestry sector in national developmental policies and strategies. Support to countries on animal production, fisheries and forestry production and agriculture credit and finance will be provided mainly through extrabudgetary resources.

Annex I: 2016-17 Budget Proposal by Strategic/Functional Objective and Organizational Outcome

(USD thousands at 2014-15 rates)

| Strategic/Functional Objective and Organizational Outcome | PWB 2016-17 | | |
|--|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total |
| 1.01 - Member countries and their development partners make explicit political commitments in the form of policies, investment plans, programmes, legal frameworks and the allocation of necessary resources to eradicate hunger, food insecurity and malnutrition | 50,665 | 106,452 | 157,118 |
| 1.02 - Member countries and their development partners adopt inclusive governance and coordination mechanisms for eradicating hunger, food insecurity and malnutrition | 14,077 | 28,602 | 42,678 |
| 1.03 - The decisions of member countries and their development partners regarding food security and nutrition are based on evidence and high-quality, timely and comprehensive food security and nutrition analysis that draws on data and information available in the network of existing sector and stakeholder information systems | 17,465 | 76,759 | 94,224 |
| 1 - Contribute to the eradication of hunger, food insecurity and malnutrition | 82,207 | 211,813 | 294,020 |
| 2.01 - Producers and natural resource managers adopt practices that increase and improve agricultural sector production in a sustainable manner | 60,281 | 248,433 | 308,714 |
| 2.02 - Stakeholders in member countries strengthen governance - the policies, laws, management frameworks and institutions that are needed to support producers and resource managers - in the transition to sustainable agricultural sector production systems | 48,109 | 61,054 | 109,163 |
| 2.03 - Stakeholders endorse/adopt international (including regional) instruments and support related governance mechanisms for sustainable agricultural production systems | 33,619 | 35,859 | 69,477 |
| 2.04 - Stakeholders make evidence-based decisions in the planning and management of the agricultural sectors and natural resources to support the transition to sustainable agricultural sector production systems through monitoring, statistics, assessment and analysis | 57,919 | 51,032 | 108,950 |
| 2 - Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner | 199,927 | 396,377 | 596,305 |
| 3.01 - The rural poor have enhanced and equitable access to productive resources, services, organizations and markets, and can manage their resources more sustainably | 40,338 | 92,991 | 133,328 |
| 3.02 - The rural poor have greater opportunities to access decent farm and non-farm employment | 14,955 | 4,306 | 19,261 |
| 3.03 - Social protection systems are strengthened in support of sustainable rural poverty reduction | 8,876 | 4,049 | 12,926 |
| 3 - Reduce rural poverty | 64,169 | 101,346 | 165,515 |
| 4.01 - International agreements, mechanisms and standards that promote more efficient and inclusive trade and markets are formulated and implemented by countries | 57,268 | 22,286 | 79,555 |
| 4.02 - Agribusinesses and agrifood chains that are more inclusive and efficient are developed and implemented by the public and private sectors | 29,937 | 82,225 | 112,162 |
| 4.03 - Policies, financial instruments and investment that improve the inclusiveness and efficiency of agrifood systems are developed and implemented by the public and private sectors | 17,799 | 23,717 | 41,516 |
| 4 - Enable more inclusive and efficient agricultural and food systems | 105,004 | 128,229 | 233,233 |

| Strategic/Functional Objective and Organizational Outcome | PWB 2016-17 | | |
|--|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total |
| 5.01 - Countries and regions adopt and implement legal, policy and institutional systems and regulatory frameworks for risk reduction and crisis management | 14,246 | 18,934 | 33,181 |
| 5.02 - Countries and regions provide regular information and early warning against potential, known and emerging threats | 13,994 | 59,085 | 73,079 |
| 5.03 - Countries reduce risks and vulnerability at household and community level | 16,506 | 291,186 | 307,692 |
| 5.04 - Countries and regions affected by disasters and crises prepare for, and manage effective responses | 5,299 | 330,438 | 335,737 |
| 5 - Increase the resilience of livelihoods to threats and crises | 50,045 | 699,643 | 749,688 |
| 6.01 - Quality and integrity of the technical and normative work of the Organization | 34,556 | 46 | 34,602 |
| 6.02 - Country capacity to use, collect, analyse and disseminate data is strengthened by improved methods developed by the Organization | 7,451 | 3,897 | 11,348 |
| 6.03 - Quality services and coherent approaches to work on gender equality and women's empowerment that result in strengthened country capacity to formulate, implement and monitor policies and programmes that provide equal opportunities for men and women | 3,664 | 12 | 3,676 |
| 6.04 - Quality services for more effective treatment of governance issues at global, regional and national level and in the Strategic Objective programmes | 1,352 | 0 | 1,352 |
| 6.05 - Quality and coherence of FAO's work on nutrition ensured through mainstreaming of nutrition across the Strategic Framework and strengthening FAO's contribution in the international nutrition architecture | 2,223 | 0 | 2,223 |
| 6.06 - Multidisciplinary Fund | 10,000 | 0 | 10,000 |
| 6 - Technical quality, knowledge and services | 59,245 | 3,955 | 63,200 |
| 7.01 - TCP management and support | 4,604 | 0 | 4,604 |
| 7.02 - TCP - Projects | 136,217 | 0 | 136,217 |
| 7 - Technical Cooperation Programme | 140,821 | 0 | 140,821 |
| 8.01 - Partnerships, advocacy and capacity development. | 32,984 | 55 | 33,039 |
| 8.02 - Communications | 32,919 | 81 | 33,000 |
| 8.03 - Resource Mobilization and South-South Cooperation | 10,950 | 3 | 10,953 |
| 8 - Outreach | 76,852 | 140 | 76,992 |
| 9.01 - Information technology solutions and services | 36,026 | 4 | 36,030 |
| 9 - Information Technology | 36,026 | 4 | 36,030 |
| 10.01 - FAO Governance | 26,863 | 451 | 27,314 |
| 10.02 - Oversight | 15,808 | 135 | 15,943 |
| 10.03 - Direction | 39,322 | 592 | 39,914 |
| 10 - FAO governance, oversight and direction | 81,992 | 1,179 | 83,171 |
| 11.01 - Efficient and effective management of human resources | 13,196 | 1,322 | 14,518 |
| 11.02 - Efficient and effective management of financial resources | 1,996 | 593 | 2,589 |
| 11.03 - Efficient and effective administration of human, physical and financial resources | 59,762 | 5,365 | 65,127 |
| 11 - Efficient and effective administration | 74,955 | 7,280 | 82,235 |
| 12.01 - Contingencies | 600 | 0 | 600 |
| 12 - Contingencies | 600 | 0 | 600 |

| Strategic/Functional Objective and Organizational Outcome | PWB 2016-17 | | |
|---|-------------------|------------------|------------------|
| | Net Appropriation | Extrabudgetary | Total |
| 13.01 - Knowledge | 5,912 | 0 | 5,912 |
| 13.02 - Operations | 4,554 | 0 | 4,554 |
| 13.03 - Infrastructure | 6,420 | 0 | 6,420 |
| 13 - Capital Expenditure | 16,886 | 0 | 16,886 |
| 14.01 - Safe and secure operating environment for headquarters programme delivery | 9,413 | 181 | 9,594 |
| 14.02 - Safe and secure operating environment for worldwide programme delivery | 13,605 | 0 | 13,605 |
| 14 - Security Expenditure | 23,017 | 181 | 23,198 |
| Total | 1,011,748 | 1,550,147 | 2,561,895 |

Annex II: 2016-17 Budget Proposal by Strategic/Functional Objective and Region

| SO/FO | Headquarters/Global | | Africa | | Asia and Pacific | | Europe and Central Asia | | Latin America and the Caribbean | | Near East | | Total | | |
|---------------|---------------------|-----------------|----------------|-----------------|------------------|-----------------|-------------------------|-----------------|---------------------------------|-----------------|---------------|-----------------|------------------|------------------|------------------|
| | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Net Approp | Extra-budgetary | Total |
| 1 | 35,629 | 20,312 | 20,742 | 86,489 | 7,059 | 57,454 | 3,009 | 875 | 10,305 | 40,057 | 5,462 | 6,626 | 82,207 | 211,813 | 294,020 |
| 2 | 104,354 | 119,889 | 40,827 | 120,877 | 19,244 | 54,169 | 6,870 | 19,731 | 17,909 | 34,117 | 10,724 | 47,593 | 199,927 | 396,377 | 596,305 |
| 3 | 35,098 | 9,739 | 8,165 | 18,155 | 5,122 | 31,502 | 3,004 | 10,573 | 7,129 | 17,756 | 5,649 | 13,620 | 64,169 | 101,346 | 165,515 |
| 4 | 64,466 | 67,240 | 15,031 | 19,728 | 8,911 | 23,836 | 4,408 | 2,168 | 7,813 | 8,588 | 4,376 | 6,669 | 105,004 | 128,229 | 233,233 |
| 5 | 28,879 | 61,765 | 8,280 | 363,277 | 3,207 | 141,028 | 1,144 | 4,409 | 4,749 | 73,587 | 3,786 | 55,577 | 50,045 | 699,643 | 749,688 |
| 6 | 56,648 | 81 | 599 | 0 | 594 | 3,874 | 400 | 0 | 560 | 0 | 444 | 0 | 59,245 | 3,955 | 63,200 |
| 7 - TCP | 25,868 | 0 | 45,701 | 0 | 27,592 | 0 | 11,657 | 0 | 20,669 | 0 | 9,334 | 0 | 140,821 | 0 | 140,821 |
| 8 | 64,080 | 140 | 1,468 | 0 | 3,347 | 0 | 5,936 | 0 | 854 | 0 | 1,167 | 0 | 76,852 | 140 | 76,992 |
| 9 | 31,796 | 4 | 1,148 | 0 | 594 | 0 | 600 | 0 | 1,097 | 0 | 791 | 0 | 36,026 | 4 | 36,030 |
| 10 | 67,994 | 808 | 2,848 | 346 | 4,391 | 18 | 1,718 | 3 | 1,871 | 0 | 3,170 | 3 | 81,992 | 1,179 | 83,171 |
| 11 | 44,903 | 4,677 | 3,382 | 638 | 5,168 | 18 | 14,615 | 647 | 4,326 | 1,301 | 2,562 | 0 | 74,955 | 7,280 | 82,235 |
| 12 - Conting | 600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 600 | 0 | 600 |
| 13 - CapEx | 16,886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,886 | 0 | 16,886 |
| 14 - Security | 23,017 | 181 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23,017 | 181 | 23,198 |
| Total | 600,219 | 284,836 | 148,191 | 609,510 | 85,230 | 311,899 | 53,361 | 38,406 | 77,282 | 175,407 | 47,465 | 130,089 | 1,011,748 | 1,550,147 | 2,561,895 |

Annex III: 2016-17 Budget Proposal by Strategic/Functional Objective and Department/Office

(USD thousands at 2014-15 rates)

| Strategic/Functional Objective and Department/Office | Net Appropriation | Extrabudgetary | Total |
|--|-------------------|----------------|----------------|
| 1 - Contribute to the eradication of hunger, food insecurity and malnutrition | 82,208 | 211,813 | 294,020 |
| LEG - Legal and Ethics Office | 1,311 | 0 | 1,311 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 375 | 1,927 | 2,302 |
| DN - Natural Resources | 3,845 | 7,869 | 11,715 |
| ES - Economic and Social Development Department | 21,211 | 1,473 | 22,684 |
| AG - Agriculture and Consumer Protection Department | 588 | 2,278 | 2,866 |
| FI - Fisheries and Aquaculture Department | 1,620 | 1,061 | 2,681 |
| FO - Forestry Department | 766 | 54 | 820 |
| TC - Technical Cooperation Department | 5,913 | 5,650 | 11,563 |
| LO - Liaison Offices | 84 | 0 | 84 |
| RO - Regional Offices | 11,085 | 37,070 | 48,155 |
| FC - FAO Representations | 28,741 | 142,823 | 171,564 |
| SO - Subregional Offices | 6,668 | 11,607 | 18,275 |
| 2 - Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner | 199,927 | 396,377 | 596,304 |
| LEG - Legal and Ethics Office | 575 | 0 | 575 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 389 | 0 | 389 |
| DN - Natural Resources | 21,332 | 19,944 | 41,276 |
| ES - Economic and Social Development Department | 4,762 | 608 | 5,370 |
| AG - Agriculture and Consumer Protection Department | 26,719 | 18,598 | 45,317 |
| FI - Fisheries and Aquaculture Department | 26,583 | 35,386 | 61,970 |
| FO - Forestry Department | 13,123 | 41,390 | 54,513 |
| TC - Technical Cooperation Department | 10,869 | 3,964 | 14,833 |
| LO - Liaison Offices | 6 | 1,049 | 1,056 |
| RO - Regional Offices | 23,549 | 48,535 | 72,084 |
| FC - FAO Representations | 51,417 | 206,424 | 257,842 |
| SO - Subregional Offices | 20,601 | 20,479 | 41,080 |
| 3 - Reduce rural poverty | 64,168 | 101,346 | 165,515 |
| LEG - Legal and Ethics Office | 320 | 0 | 320 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 138 | 0 | 138 |
| DN - Natural Resources | 1,485 | 513 | 1,997 |
| ES - Economic and Social Development Department | 17,340 | 2,357 | 19,697 |
| AG - Agriculture and Consumer Protection Department | 5,731 | 3,149 | 8,880 |
| FI - Fisheries and Aquaculture Department | 2,949 | 22 | 2,971 |
| FO - Forestry Department | 3,117 | 2,929 | 6,046 |
| TC - Technical Cooperation Department | 4,017 | 770 | 4,788 |
| LO - Liaison Offices | 169 | 0 | 169 |
| RO - Regional Offices | 9,017 | 24,226 | 33,242 |
| FC - FAO Representations | 11,853 | 59,574 | 71,427 |
| SO - Subregional Offices | 8,032 | 7,807 | 15,839 |

| Strategic/Functional Objective and Department/Office | Net Appropriation | Extrabudgetary | Total |
|--|-------------------|----------------|----------------|
| 4 - Enable more inclusive and efficient agricultural and food systems | 105,004 | 128,229 | 233,233 |
| LEG - Legal and Ethics Office | 408 | 0 | 408 |
| DN - Natural Resources | 2,125 | 2,364 | 4,489 |
| ES - Economic and Social Development Department | 15,769 | 14,890 | 30,660 |
| AG - Agriculture and Consumer Protection Department | 29,407 | 11,447 | 40,854 |
| FI - Fisheries and Aquaculture Department | 3,461 | 124 | 3,586 |
| FO - Forestry Department | 2,789 | 1,383 | 4,172 |
| TC - Technical Cooperation Department | 10,507 | 37,032 | 47,538 |
| LO - Liaison Offices | 517 | 0 | 517 |
| RO - Regional Offices | 10,626 | 19,721 | 30,347 |
| FC - FAO Representations | 21,888 | 36,441 | 58,329 |
| SO - Subregional Offices | 7,507 | 4,827 | 12,335 |
| 5 - Increase the resilience of livelihoods to threats and crises | 50,045 | 699,643 | 749,689 |
| LEG - Legal and Ethics Office | 384 | 0 | 384 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 79 | 0 | 79 |
| DN - Natural Resources | 2,960 | 82 | 3,042 |
| ES - Economic and Social Development Department | 4,694 | 11 | 4,705 |
| AG - Agriculture and Consumer Protection Department | 13,099 | 7,372 | 20,471 |
| FI - Fisheries and Aquaculture Department | 1,894 | 331 | 2,225 |
| FO - Forestry Department | 1,474 | 2,846 | 4,319 |
| TC - Technical Cooperation Department | 4,295 | 51,124 | 55,419 |
| LO - Liaison Offices | 476 | 0 | 476 |
| RO - Regional Offices | 8,060 | 116,748 | 124,808 |
| FC - FAO Representations | 7,449 | 517,008 | 524,457 |
| SO - Subregional Offices | 5,181 | 4,122 | 9,303 |
| 6 - Technical quality, knowledge and services | 59,245 | 3,955 | 63,200 |
| DN - Natural Resources | 5,189 | 48 | 5,237 |
| ES - Economic and Social Development Department | 20,464 | 12 | 20,476 |
| AG - Agriculture and Consumer Protection Department | 4,788 | 0 | 4,788 |
| FI - Fisheries and Aquaculture Department | 6,004 | 0 | 6,004 |
| FO - Forestry Department | 6,278 | 0 | 6,278 |
| TC - Technical Cooperation Department | 3,925 | 21 | 3,945 |
| SP - Special Programmes | 10,000 | 0 | 10,000 |
| RO - Regional Offices | 2,242 | 3,874 | 6,117 |
| SO - Subregional Offices | 355 | 0 | 355 |
| 7 - Technical Cooperation Programme | 140,821 | | 140,821 |
| TC - Technical Cooperation Department | 1,366 | 0 | 1,366 |
| RO - Regional Offices | 2,965 | 0 | 2,965 |
| SO - Subregional Offices | 273 | 0 | 273 |
| TP - Technical Cooperation Programme - Projects | 136,217 | 0 | 136,217 |
| 8 - Outreach | 76,852 | 140 | 76,992 |
| OCC - Office for Corporate Communication | 28,479 | 2 | 28,482 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 20,819 | 55 | 20,874 |
| DP - Operations | 750 | 0 | 750 |

| Strategic/Functional Objective and Department/Office | Net Appropriation | Extrabudgetary | Total |
|---|-------------------|----------------|---------------|
| TC - Technical Cooperation Department | 8,840 | 3 | 8,844 |
| LO - Liaison Offices | 13,852 | 79 | 13,930 |
| RO - Regional Offices | 6,412 | 0 | 6,412 |
| CI - Corporate Income | (2,300) | 0 | (2,300) |
| 9 - Information Technology | 36,026 | 4 | 36,030 |
| DP - Operations | 40,796 | 4 | 40,800 |
| RO - Regional Offices | 2,863 | 0 | 2,863 |
| SO - Subregional Offices | 1,367 | 0 | 1,367 |
| CI - Corporate Income | (9,000) | | (9,000) |
| 10 - FAO governance, oversight and direction | 81,992 | 1,179 | 83,171 |
| ODG - Office of the Director-General | 8,635 | 0 | 8,635 |
| LEG - Legal and Ethics Office | 6,785 | 221 | 7,007 |
| OED - Office of Evaluation | 8,095 | 20 | 8,115 |
| OIG - Office of the Inspector-General | 8,913 | 116 | 9,028 |
| OSP - Office of Strategy, Planning and Resources Management | 11,471 | 0 | 11,471 |
| DP - Operations | 35,630 | 451 | 36,081 |
| ES - Economic and Social Development Department | 395 | 0 | 395 |
| SP - Special Programmes | 2,170 | 0 | 2,170 |
| RO - Regional Offices | 13,998 | 371 | 14,369 |
| CI - Corporate Income | (14,100) | 0 | (14,100) |
| 11 - Efficient and effective administration | 74,955 | 7,280 | 82,235 |
| OHR - Office of Human Resources | 14,399 | 1,322 | 15,721 |
| CS - Corporate Services Department | 65,940 | 3,402 | 69,342 |
| SP - Special Programmes | 5,740 | 0 | 5,740 |
| LO - Liaison Offices | 463 | 0 | 463 |
| RO - Regional Offices | 17,014 | 769 | 17,783 |
| SO - Subregional Offices | 0 | 1,787 | 1,787 |
| CI - Corporate Income | (28,600) | 0 | (28,600) |

Annex IV: 2016-17 Budget Proposal by Organizational Unit
(USD thousands at 2014-15 rates)

| Organizational Unit/Department | Adjusted PWB 2014-15 | | | Change | | | PWB 2016-17 | | |
|--|----------------------|----------------|----------------|-------------------|----------------|----------------|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total |
| ODG - Office of the Director-General | 8,240 | 0 | 8,240 | 395 | 0 | 395 | 8,635 | 0 | 8,635 |
| LEG - Legal and Ethics Office | 10,873 | 255 | 11,129 | (1,089) | (34) | (1,123) | 9,784 | 221 | 10,006 |
| OCC - Office for Corporate Communication | 28,737 | 65 | 28,801 | (258) | (62) | (320) | 28,479 | 2 | 28,481 |
| OED - Office of Evaluation | 8,095 | 2,650 | 10,744 | 0 | (2,630) | (2,630) | 8,095 | 20 | 8,114 |
| OHR - Office of Human Resources | 5,040 | 0 | 5,040 | 9,358 | 1,322 | 10,680 | 14,398 | 1,322 | 15,721 |
| OIG - Office of the Inspector-General | 8,913 | 116 | 9,028 | 0 | 0 | 0 | 8,913 | 116 | 9,028 |
| OPC - Office for Partnerships, Advocacy and Capacity Development | 22,215 | 907 | 23,123 | (416) | 1,075 | 659 | 21,800 | 1,982 | 23,782 |
| OSP - Office of Strategy, Planning and Resources Management | 11,472 | 0 | 11,472 | 0 | 0 | 0 | 11,472 | 0 | 11,472 |
| Apex | 103,585 | 3,993 | 107,577 | 7,991 | (329) | 7,662 | 111,576 | 3,663 | 115,239 |
| DDO - Deputy Director-General (Operations) | 2,040 | 0 | 2,040 | 0 | 0 | 0 | 2,040 | 0 | 2,040 |
| CIO - Information Technology Division | 40,796 | 4 | 40,800 | (415) | 0 | (415) | 40,381 | 4 | 40,385 |
| CPA - Conference, Council and Protocol Affairs Division | 26,941 | 451 | 27,392 | 415 | 0 | 415 | 27,356 | 451 | 27,807 |
| OSD - Office of Support to Decentralized Offices | 7,238 | 2,281 | 9,519 | 161 | (2,281) | (2,120) | 7,399 | 0 | 7,399 |
| DP - Operations | 77,014 | 2,736 | 79,750 | 161 | (2,281) | (2,120) | 77,175 | 455 | 77,630 |
| DDN - Deputy Director-General (Natural Resources) | 13,691 | 11,736 | 25,428 | 0 | (2,468) | (2,468) | 13,692 | 9,268 | 22,960 |
| NRC - Climate, Energy and Tenure Division | 10,212 | 10,499 | 20,711 | 2,132 | 2,660 | 4,792 | 12,344 | 13,159 | 25,502 |
| NRL - Land and Water Division | 10,901 | 4,403 | 15,304 | 0 | 3,989 | 3,989 | 10,901 | 8,392 | 19,293 |
| DN - Natural Resources | 34,804 | 26,639 | 61,443 | 2,132 | 4,181 | 6,313 | 36,936 | 30,820 | 67,756 |
| ESD - Office of Assistant Director-General | 4,802 | 6 | 4,808 | 0 | 0 | 0 | 4,801 | 6 | 4,807 |
| ESA - Agricultural Development Economics Division | 14,389 | 21,412 | 35,801 | 0 | (12,564) | (12,564) | 14,390 | 8,847 | 23,237 |

| Organizational Unit/Department | Adjusted PWB 2014-15 | | | Change | | | PWB 2016-17 | | |
|---|----------------------|----------------|----------------|-------------------|-----------------|-----------------|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total |
| ESN - Nutrition Division | 8,180 | 4,709 | 12,889 | 1,948 | (2,763) | (815) | 10,128 | 1,946 | 12,074 |
| ESP - Social Protection Division | 17,754 | 249 | 18,003 | 456 | 2,011 | 2,467 | 18,210 | 2,260 | 20,470 |
| ESS - Statistics Division | 16,212 | 2,809 | 19,021 | (248) | 1,195 | 948 | 15,964 | 4,005 | 19,969 |
| EST - Trade and Markets Division | 21,144 | 2,783 | 23,927 | 0 | (497) | (497) | 21,144 | 2,286 | 23,430 |
| ES - Economic and Social Development Department | 82,482 | 31,968 | 114,449 | 2,155 | (12,617) | (10,462) | 84,637 | 19,350 | 103,987 |
| AGD - Office of Assistant Director-General | 26,234 | 119 | 26,353 | (12,687) | 11,561 | (1,127) | 13,546 | 11,680 | 25,226 |
| AGF - Office of Food Safety | 0 | 0 | 0 | 12,688 | 0 | 12,688 | 12,688 | 0 | 12,688 |
| AGA - Animal Production and Health Division | 15,707 | 6,283 | 21,990 | (618) | 2,681 | 2,063 | 15,089 | 8,964 | 24,053 |
| AGE - Joint FAO/IAEA Division of Nuclear Techniques in Food and Agriculture | 6,123 | 148 | 6,271 | 0 | (34) | (34) | 6,123 | 114 | 6,237 |
| AGP - Plant Production and Protection Division | 20,808 | 22,398 | 43,206 | (973) | (7,599) | (8,573) | 19,835 | 14,799 | 34,634 |
| AGS - Rural Infrastructure and Agro-Industries Division | 13,053 | 326 | 13,380 | 0 | 6,960 | 6,960 | 13,053 | 7,287 | 20,340 |
| AG - Agriculture and Consumer Protection Department | 81,926 | 29,274 | 111,200 | (1,592) | 13,569 | 11,977 | 80,334 | 42,843 | 123,177 |
| FID - Office of Assistant Director-General | 2,988 | 210 | 3,198 | 0 | 20,146 | 20,146 | 2,988 | 20,357 | 23,344 |
| FIP - Fisheries and Aquaculture Policy and Economic Division | 20,679 | 17,241 | 37,920 | (323) | (10,754) | (11,077) | 20,356 | 6,487 | 26,843 |
| FIR - Fisheries and Aquaculture Resources Use and Conservation Division | 19,168 | 9,785 | 28,953 | 1 | 296 | 296 | 19,168 | 10,081 | 29,249 |
| FI - Fisheries and Aquaculture Department | 42,834 | 27,236 | 70,070 | (322) | 9,688 | 9,366 | 42,511 | 36,925 | 79,436 |
| FOD - Office of Assistant Director-General | 6,659 | 2,335 | 8,995 | (1,390) | (757) | (2,147) | 5,269 | 1,579 | 6,848 |
| FOE - Forest Economics, Policy and Products Division | 10,587 | 1,088 | 11,675 | 599 | 7,195 | 7,795 | 11,186 | 8,283 | 19,470 |
| FOM - Forest Assessment, Management and Conservation Division | 10,757 | 13,127 | 23,884 | 335 | 25,613 | 25,948 | 11,092 | 38,740 | 49,831 |
| FO - Forestry Department | 28,003 | 16,550 | 44,553 | (456) | 32,051 | 31,596 | 27,547 | 48,602 | 76,149 |

| Organizational Unit/Department | Adjusted PWB 2014-15 | | | Change | | | PWB 2016-17 | | |
|--|----------------------|----------------|----------------|-------------------|----------------|-----------------|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total |
| TCD - Office of Assistant Director-General | 5,290 | 21 | 5,310 | 0 | 0 | 0 | 5,290 | 21 | 5,310 |
| TCE - Emergency and Rehabilitation Division | 679 | 44,692 | 45,372 | 0 | 6,248 | 6,248 | 679 | 50,940 | 51,620 |
| TCL - Investment Centre Division | 29,931 | 39,173 | 69,105 | 0 | 2,144 | 2,144 | 29,931 | 41,317 | 71,248 |
| TCS - South-South and Resource Mobilization Division | 15,600 | 4,468 | 20,069 | (1,769) | 1,818 | 49 | 13,831 | 6,286 | 20,117 |
| TC - Technical Cooperation Department | 51,500 | 88,355 | 139,855 | (1,769) | 10,210 | 8,441 | 49,731 | 98,564 | 148,296 |
| CSD - Office of Assistant Director-General | 6,179 | 1,221 | 7,400 | 539 | 0 | 539 | 6,718 | 1,221 | 7,939 |
| CSA - Administrative Services Division | 30,620 | 1,599 | 32,219 | (349) | (68) | (417) | 30,271 | 1,531 | 31,802 |
| CSF - Finance Division | 14,551 | 636 | 15,187 | 1,365 | (34) | 1,330 | 15,915 | 602 | 16,518 |
| CSP - Human Resources Support Service | 15,534 | 1,252 | 16,786 | (15,534) | (1,252) | (16,786) | 0 | 0 | 0 |
| CSS - Shared Services Centre | 10,811 | 47 | 10,858 | 2,227 | 0 | 2,227 | 13,038 | 47 | 13,085 |
| CS - Corporate Services Department | 77,694 | 4,756 | 82,450 | (11,753) | (1,354) | (13,107) | 65,941 | 3,402 | 69,343 |
| OSS - Contributions to Inter-agency Coordination | 2,170 | 0 | 2,170 | 0 | 0 | 0 | 2,170 | 0 | 2,170 |
| OSM - Multidisciplinary Fund | 10,000 | 0 | 10,000 | 0 | 0 | 0 | 10,000 | 0 | 10,000 |
| SPI - Junior Professional Programme | 5,740 | 0 | 5,740 | 0 | 0 | 0 | 5,740 | 0 | 5,740 |
| SP - Special Programmes | 17,909 | 0 | 17,909 | 0 | 0 | 0 | 17,909 | 0 | 17,909 |
| LOB - Liaison Office with European Union and Belgium | 1,010 | 385 | 1,396 | 0 | (385) | (385) | 1,010 | 0 | 1,010 |
| LOG - Liaison Office with the United Nations, Geneva | 4,066 | 35 | 4,100 | (905) | (35) | (940) | 3,161 | 0 | 3,161 |
| LOJ - Liaison Office with Japan, Yokohama | 1,690 | 0 | 1,690 | 0 | 1,049 | 1,049 | 1,690 | 1,049 | 2,739 |
| LON - Liaison Office with the United Nations, New York | 3,863 | 0 | 3,862 | 0 | 0 | 0 | 3,863 | 0 | 3,862 |
| LOR - Liaison Office with the Russian Federation | 1,751 | 0 | 1,751 | 0 | 0 | 0 | 1,751 | 0 | 1,751 |
| LOW - Liaison Office for North America, Washington, D.C. | 4,091 | 79 | 4,170 | 0 | 0 | 0 | 4,091 | 79 | 4,170 |
| LO - Liaison Offices | 16,470 | 499 | 16,969 | (905) | 629 | (276) | 15,565 | 1,128 | 16,693 |

| Organizational Unit/Department | Adjusted PWB 2014-15 | | | Change | | | PWB 2016-17 | | |
|--|----------------------|----------------|----------------|-------------------|-----------------|-----------------|-------------------|----------------|----------------|
| | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total |
| TPI - TCP Projects - Inter-regional and Emergency Facility | 23,405 | 0 | 23,405 | 1,097 | 0 | 1,097 | 24,502 | 0 | 24,502 |
| TPA - TCP Projects - Africa | 42,731 | 0 | 42,731 | 2,003 | 0 | 2,003 | 44,734 | 0 | 44,734 |
| TPP - TCP Projects - Asia and the Pacific | 25,639 | 0 | 25,639 | 1,202 | 0 | 1,202 | 26,841 | 0 | 26,841 |
| TPL - TCP Projects - Latin America and the Caribbean | 19,231 | 0 | 19,231 | 902 | 0 | 902 | 20,133 | 0 | 20,133 |
| TPN - TCP Projects - Near East and North Africa | 8,495 | 0 | 8,495 | 396 | 0 | 396 | 8,891 | 0 | 8,891 |
| TPE - TCP Projects - Europe and Central Asia | 10,618 | 0 | 10,618 | 498 | 0 | 498 | 11,116 | 0 | 11,116 |
| TP - Technical Cooperation Programme - Projects | 130,119 | 0 | 130,119 | 6,098 | 0 | 6,098 | 136,217 | 0 | 136,217 |
| RAF - Regional Office for Africa (Accra) | 23,553 | 10,545 | 34,098 | 1,479 | 34,163 | 35,642 | 25,032 | 44,708 | 69,741 |
| SFC - Subregional Office for Central Africa (Libreville) | 5,024 | 2,138 | 7,162 | 808 | 6,081 | 6,890 | 5,833 | 8,219 | 14,052 |
| SFE - Subregional Office for Eastern Africa (Addis Ababa) | 7,120 | 1,389 | 8,509 | 521 | 10,993 | 11,514 | 7,640 | 12,383 | 20,023 |
| SFS - Subregional Office for Southern Africa (Harare) | 7,190 | 278 | 7,468 | 889 | 4,605 | 5,494 | 8,079 | 4,883 | 12,962 |
| FRA - FAORs in Africa | 55,723 | 504,945 | 560,668 | 1,150 | 34,372 | 35,521 | 56,873 | 539,317 | 596,189 |
| Africa | 98,611 | 519,295 | 617,906 | 4,847 | 90,215 | 95,061 | 103,457 | 609,510 | 712,967 |
| RAP - Regional Office for Asia and the Pacific (Bangkok) | 28,026 | 8,905 | 36,931 | 133 | 36,083 | 36,216 | 28,159 | 44,988 | 73,147 |
| SAP - Subregional Office for the Pacific Islands (Apia) | 4,667 | 3,505 | 8,172 | 388 | (259) | 130 | 5,056 | 3,246 | 8,302 |
| FAP - FAORs in Asia and the Pacific | 22,909 | 362,640 | 385,549 | 575 | (100,024) | (99,450) | 23,484 | 262,616 | 286,099 |
| Asia and Pacific | 55,603 | 375,049 | 430,652 | 1,096 | (64,200) | (63,104) | 56,699 | 310,849 | 367,548 |
| REU - Regional Office for Europe and Central Asia (Budapest) | 12,926 | 8,571 | 21,498 | 840 | 3,073 | 3,913 | 13,766 | 11,644 | 25,411 |
| SEC - Subregional Office for Central Asia (Ankara) | 4,762 | 3,683 | 8,445 | 296 | 3,796 | 4,093 | 5,058 | 7,480 | 12,538 |
| FEU - FAORs in Europe and Central Asia | 4,403 | 27,774 | 32,176 | 57 | (8,538) | (8,481) | 4,460 | 19,235 | 23,696 |
| Europe and Central Asia | 22,091 | 40,028 | 62,119 | 1,194 | (1,669) | (475) | 23,285 | 38,359 | 61,644 |

| Organizational Unit/Department | Adjusted PWB 2014-15 | | | Change | | | PWB 2016-17 | | |
|--|----------------------|------------------|------------------|-------------------|----------------|----------------|-------------------|------------------|------------------|
| | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total | Net Appropriation | Extrabudgetary | Total |
| RLC - Regional Office for Latin America and the Caribbean (Santiago) | 20,851 | 3,665 | 24,516 | 264 | 84,422 | 84,686 | 21,115 | 88,087 | 109,202 |
| SIC - Subregional Office for the Caribbean (Bridgetown) | 6,274 | 296 | 6,569 | 320 | 2,123 | 2,443 | 6,593 | 2,419 | 9,012 |
| SIM - Sub-regional Office for Mesoamerica (Panama City) | 5,281 | 3,688 | 8,969 | 0 | 8,312 | 8,312 | 5,281 | 12,000 | 17,281 |
| FLA - FAORs in Latin America and the Caribbean | 23,757 | 169,617 | 193,374 | 402 | (96,716) | (96,314) | 24,160 | 72,901 | 97,061 |
| Latin America and the Caribbean | 56,163 | 177,265 | 233,429 | 986 | (1,859) | (873) | 57,149 | 175,407 | 232,556 |
| RNE - Regional Office for the Near East and North Africa (Cairo) | 19,223 | 31,100 | 50,323 | 535 | 30,787 | 31,322 | 19,758 | 61,887 | 81,645 |
| SNE - Subregional Office for North Africa (Tunis) | 6,444 | 51 | 6,495 | 0 | (51) | (51) | 6,444 | 0 | 6,444 |
| FNE - FAORs in the Near East | 11,669 | 62,389 | 74,058 | 703 | 5,814 | 6,516 | 12,372 | 68,202 | 80,574 |
| Near East | 37,336 | 93,539 | 130,876 | 1,238 | 36,550 | 37,788 | 38,574 | 130,089 | 168,663 |
| Corporate Income and Cost Recoveries (net) | (54,000) | 0 | (54,000) | 0 | 0 | 0 | (54,000) | 0 | (54,000) |
| Contingencies | 600 | 0 | 600 | 0 | 0 | 0 | 600 | 0 | 600 |
| Capital Expenditure | 21,886 | 0 | 21,886 | (5,000) | 0 | (5,000) | 16,886 | 0 | 16,886 |
| Security Expenditure | 23,017 | 181 | 23,198 | 0 | 0 | 0 | 23,017 | 181 | 23,198 |
| Total | 1,005,648 | 1,437,363 | 2,443,011 | 6,100 | 112,784 | 118,884 | 1,011,748 | 1,550,147 | 2,561,895 |

Annex V: Post Counts by Grade Group and Organizational Unit

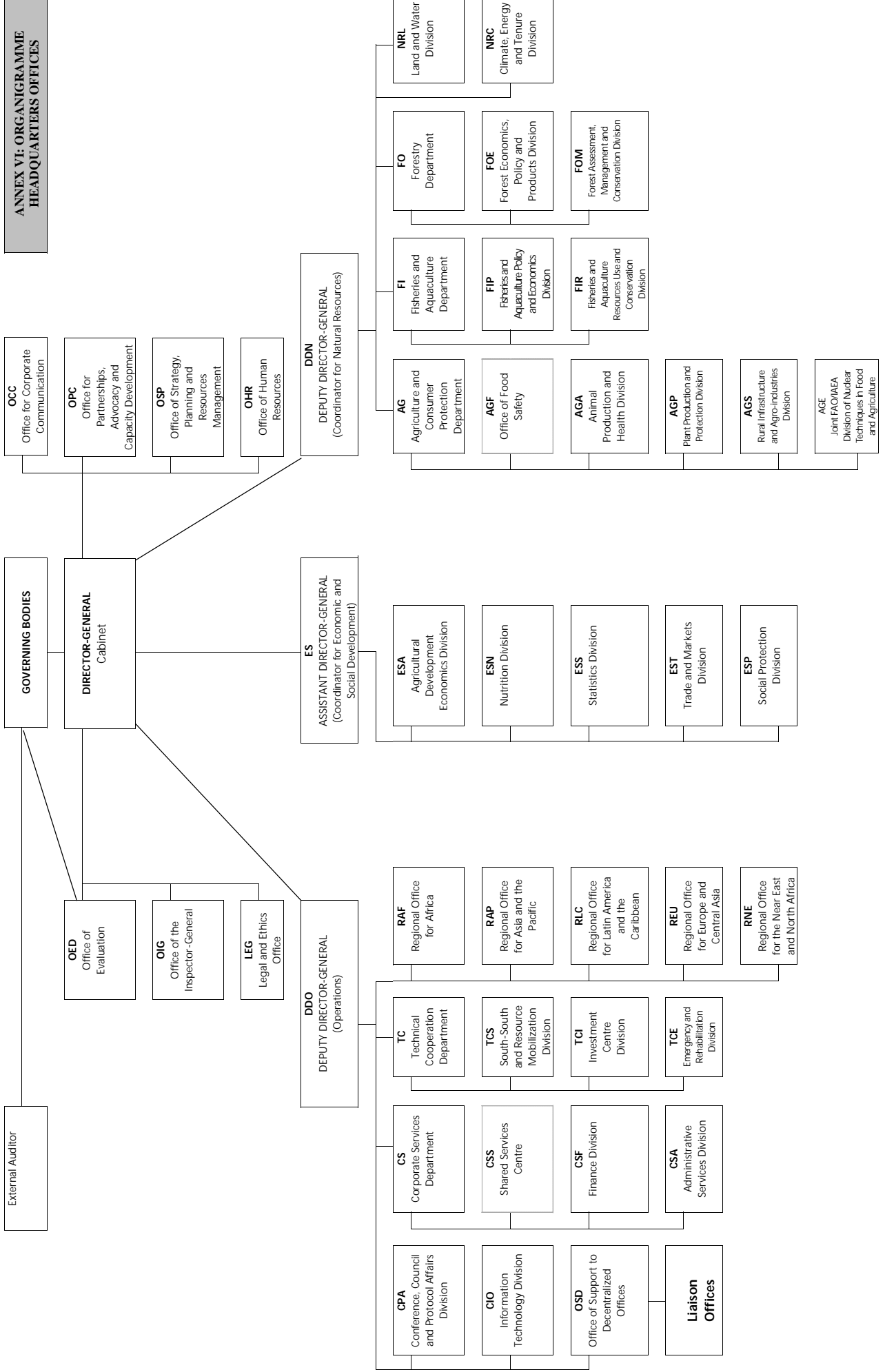
| Organizational Unit | Adjusted PWB 2014-15 | | | | | Change | | | | | PWB 2016-17 | | | | |
|--|----------------------|-----|---|----|-------|--------|-----|---|-----|-------|-------------|-----|---|----|-------|
| | D | P | N | G | Total | D | P | N | G | Total | D | P | N | G | Total |
| Office of the Director-General (ODG) | 3 | 8 | 0 | 12 | 23 | 0 | 1 | 0 | 0 | 1 | 3 | 9 | 0 | 12 | 24 |
| Legal and Ethics Office (LEG) | 2 | 18 | 0 | 10 | 30 | 0 | (2) | 0 | (1) | (3) | 2 | 16 | 0 | 9 | 27 |
| Office for Corporate Communication (OCC) | 2 | 39 | 0 | 30 | 71 | 0 | 0 | 0 | (1) | (1) | 2 | 39 | 0 | 29 | 70 |
| Office of Evaluation (OED) | 1 | 8 | 0 | 3 | 12 | 0 | 0 | 0 | 0 | 0 | 1 | 8 | 0 | 3 | 12 |
| Office of Human Resources (OHR) | 1 | 8 | 0 | 4 | 13 | 1 | 13 | 0 | 13 | 27 | 2 | 21 | 0 | 17 | 40 |
| Office of the Inspector-General (OIG) | 1 | 18 | 0 | 6 | 25 | 0 | 0 | 0 | 0 | 0 | 1 | 18 | 0 | 6 | 25 |
| Office for Partnerships, Advocacy and Capacity Development (OPC) | 2 | 30 | 0 | 14 | 46 | 0 | 0 | 0 | 1 | 1 | 2 | 30 | 0 | 15 | 47 |
| Office of Strategy, Planning and Resources Management (OSP) | 2 | 21 | 0 | 7 | 30 | 0 | 0 | 0 | 0 | 0 | 2 | 21 | 0 | 7 | 30 |
| Apex | 14 | 150 | 0 | 86 | 250 | 1 | 12 | 0 | 12 | 25 | 15 | 162 | 0 | 98 | 275 |
| Deputy Director-General (Operations) (DDO) | 1 | 2 | 0 | 2 | 5 | 0 | 4 | 0 | 2 | 6 | 1 | 6 | 0 | 4 | 11 |
| Information Technology Division (CIO) | 2 | 42 | 0 | 7 | 51 | 0 | 1 | 0 | 0 | 1 | 2 | 43 | 0 | 7 | 52 |
| Conference, Council and Protocol Affairs Division (CPA) | 2 | 38 | 0 | 62 | 102 | 0 | 1 | 0 | (1) | 0 | 2 | 39 | 0 | 61 | 102 |
| Office of Support to Decentralized Offices (OSD) | 1 | 8 | 0 | 12 | 21 | 0 | 2 | 0 | (3) | (1) | 1 | 10 | 0 | 9 | 20 |
| Operations (DP) | 6 | 90 | 0 | 83 | 179 | 0 | 8 | 0 | (2) | 6 | 6 | 98 | 0 | 81 | 185 |
| Deputy Director-General (Natural Resources) (DDN) | 2 | 18 | 0 | 18 | 38 | 0 | (6) | 0 | (5) | (11) | 2 | 12 | 0 | 13 | 27 |
| Climate, Energy and Tenure Division (NRC) | 2 | 17 | 0 | 10 | 29 | 0 | 3 | 0 | 0 | 3 | 2 | 20 | 0 | 10 | 32 |
| Land and Water Division (NRL) | 2 | 19 | 0 | 8 | 29 | 0 | 0 | 0 | 0 | 0 | 2 | 19 | 0 | 8 | 29 |
| Natural Resources (DN) | 6 | 54 | 0 | 36 | 96 | 0 | (3) | 0 | (5) | (8) | 6 | 51 | 0 | 31 | 88 |
| Office of Assistant Director-General (ESD) | 2 | 4 | 0 | 7 | 13 | 0 | 0 | 0 | 0 | 0 | 2 | 4 | 0 | 7 | 13 |
| Agricultural Development Economics Division (ESA) | 2 | 21 | 0 | 12 | 35 | 0 | 0 | 0 | 0 | 0 | 2 | 21 | 0 | 12 | 35 |
| Nutrition Division (ESN) | 1 | 13 | 0 | 6 | 20 | 0 | 2 | 0 | 0 | 2 | 1 | 15 | 0 | 6 | 22 |
| Social Protection Division (ESP) | 2 | 20 | 0 | 7 | 29 | 0 | 3 | 0 | 0 | 3 | 2 | 23 | 0 | 7 | 32 |

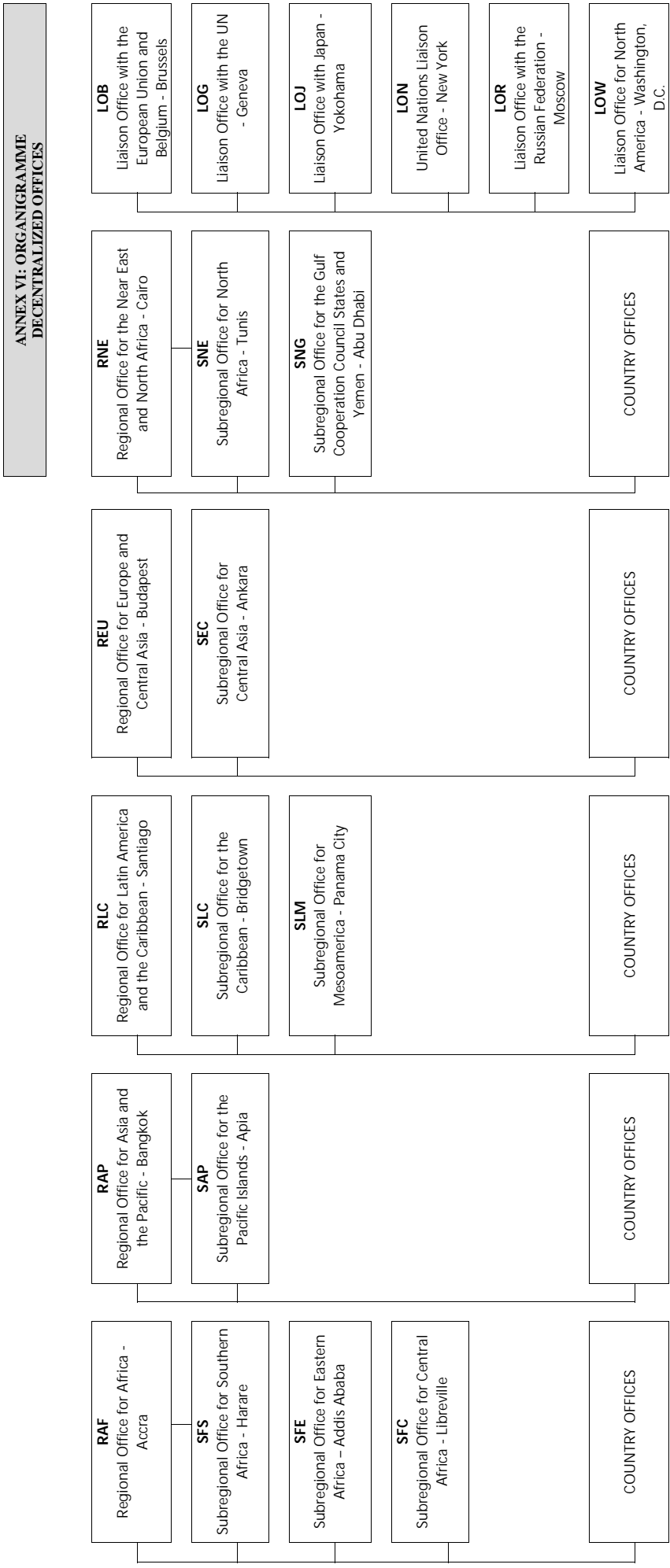
| Organizational Unit | Adjusted PWB 2014-15 | | | | | Change | | | | | PWB 2016-17 | | | | |
|---|----------------------|-----|---|----|-------|--------|------|---|------|-------|-------------|-----|---|----|-------|
| | D | P | N | G | Total | D | P | N | G | Total | D | P | N | G | Total |
| Statistics Division (ESS) | 2 | 26 | 0 | 26 | 54 | 0 | (2) | 0 | 0 | (2) | 2 | 24 | 0 | 26 | 52 |
| Trade and Markets Division (EST) | 2 | 35 | 0 | 27 | 64 | 0 | 3 | 0 | (3) | 0 | 2 | 38 | 0 | 24 | 64 |
| Economic and Social Development Department (ES) | 11 | 119 | 0 | 85 | 215 | 0 | 6 | 0 | (3) | 3 | 11 | 125 | 0 | 82 | 218 |
| Office of Assistant Director-General (AGD) | 3 | 26 | 0 | 27 | 56 | (1) | (16) | 0 | (12) | (29) | 2 | 10 | 0 | 15 | 27 |
| Office of Food Safety (AGF) | 0 | 0 | 0 | 0 | 0 | 1 | 16 | 0 | 12 | 29 | 1 | 16 | 0 | 12 | 29 |
| Animal Production and Health Division (AGA) | 2 | 27 | 0 | 12 | 41 | 0 | (3) | 0 | 0 | (3) | 2 | 24 | 0 | 12 | 38 |
| Joint FAO/IAEA Division of Nuclear Techniques in Food and Agriculture (AGE) | 1 | 8 | 0 | 0 | 9 | 0 | (1) | 0 | 0 | (1) | 1 | 7 | 0 | 0 | 8 |
| Plant Production and Protection Division (AGP) | 2 | 33 | 0 | 22 | 57 | 0 | (3) | 0 | 0 | (3) | 2 | 30 | 0 | 22 | 54 |
| Rural Infrastructure and Agro-Industries Division (AGS) | 2 | 22 | 0 | 10 | 34 | 0 | 0 | 0 | 0 | 0 | 2 | 22 | 0 | 10 | 34 |
| Agriculture and Consumer Protection Department (AG) | 10 | 116 | 0 | 71 | 197 | 0 | (7) | 0 | 0 | (7) | 10 | 109 | 0 | 71 | 190 |
| Office of Assistant Director-General (FID) | 1 | 1 | 0 | 5 | 7 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 5 | 7 |
| Fisheries and Aquaculture Policy and Economic Division (FIP) | 2 | 34 | 0 | 28 | 64 | 0 | 0 | 0 | (1) | (1) | 2 | 34 | 0 | 27 | 63 |
| Fisheries and Aquaculture Resources Use and Conservation Division (FIR) | 2 | 33 | 0 | 19 | 54 | 0 | 0 | 0 | 0 | 0 | 2 | 33 | 0 | 19 | 54 |
| Fisheries and Aquaculture Department (FI) | 5 | 68 | 0 | 52 | 125 | 0 | 0 | 0 | (1) | (1) | 5 | 68 | 0 | 51 | 124 |
| Office of Assistant Director-General (FOD) | 1 | 7 | 0 | 8 | 16 | 0 | (3) | 0 | (1) | (4) | 1 | 4 | 0 | 7 | 12 |
| Forest Economics, Policy and Products Division (FOE) | 1 | 19 | 0 | 8 | 28 | 0 | 1 | 0 | 1 | 2 | 1 | 20 | 0 | 9 | 30 |
| Forest Assessment, Management and Conservation Division (FOM) | 2 | 18 | 0 | 7 | 27 | 0 | 1 | 0 | 0 | 1 | 2 | 19 | 0 | 7 | 28 |
| Forestry Department (FO) | 4 | 44 | 0 | 23 | 71 | 0 | (1) | 0 | 0 | (1) | 4 | 43 | 0 | 23 | 70 |
| Office of Assistant Director-General (TCD) | 1 | 6 | 0 | 9 | 16 | 0 | 0 | 0 | 0 | 0 | 1 | 6 | 0 | 9 | 16 |
| Emergency and Rehabilitation Division (TCE) | 1 | 1 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 2 |

| Organizational Unit | Adjusted PWB 2014-15 | | | | | Change | | | | | PWB 2016-17 | | | | |
|--|----------------------|----|---|-----|-------|--------|------|---|------|-------|-------------|----|---|-----|-------|
| | D | P | N | G | Total | D | P | N | G | Total | D | P | N | G | Total |
| Investment Centre Division (TCI) | 5 | 71 | 0 | 31 | 107 | 0 | 0 | 0 | 0 | 0 | 5 | 71 | 0 | 31 | 107 |
| South-South and Resource Mobilization Division (TCS) | 3 | 17 | 0 | 16 | 36 | (1) | 4 | 0 | 3 | 6 | 2 | 21 | 0 | 19 | 42 |
| Technical Cooperation Department (TC) | 10 | 95 | 0 | 56 | 161 | (1) | 4 | 0 | 3 | 6 | 9 | 99 | 0 | 59 | 167 |
| Office of Assistant Director-General (CSD) | 2 | 10 | 0 | 61 | 73 | 0 | (4) | 0 | (8) | (12) | 2 | 6 | 0 | 53 | 61 |
| Administrative Services Division (CSA) | 2 | 12 | 0 | 47 | 61 | 0 | 5 | 0 | (8) | (3) | 2 | 17 | 0 | 39 | 58 |
| Finance Division (CSF) | 1 | 28 | 0 | 16 | 45 | 0 | 2 | 0 | 3 | 5 | 1 | 30 | 0 | 19 | 50 |
| Human Resources Support Service (CSP) | 0 | 20 | 0 | 21 | 41 | 0 | (20) | 0 | (21) | (41) | 0 | 0 | 0 | 0 | 0 |
| Shared Services Centre (CSS) | 1 | 10 | 1 | 91 | 103 | (1) | 7 | 0 | 5 | 11 | 0 | 17 | 1 | 96 | 114 |
| Corporate Services Department (CS) | 6 | 80 | 1 | 236 | 323 | (1) | (10) | 0 | (29) | (40) | 5 | 70 | 1 | 207 | 283 |
| Junior Professional Programme (SPJ) | 0 | 25 | 0 | 0 | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 |
| Special Programmes (SP) | 0 | 25 | 0 | 0 | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 |
| Liaison Office with European Union and Belgium (LOB) | 1 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 2 |
| Liaison Office with the United Nations, Geneva (LOG) | 1 | 4 | 0 | 4 | 9 | 0 | (1) | 0 | (2) | (3) | 1 | 3 | 0 | 2 | 6 |
| Liaison Office with Japan, Yokohama (LOJ) | 1 | 1 | 0 | 1 | 3 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 1 | 3 |
| Liaison Office with the United Nations, New York (LON) | 1 | 2 | 0 | 5 | 8 | 0 | 0 | 0 | (2) | (2) | 1 | 2 | 0 | 3 | 6 |
| Liaison Office with the Russian Federation (LOR) | 1 | 1 | 0 | 1 | 3 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 1 | 3 |
| Liaison Office for North America, Washington, D.C. (LOW) | 1 | 1 | 0 | 8 | 10 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 8 | 10 |
| Liaison Offices (LO) | 6 | 9 | 0 | 20 | 35 | 0 | (1) | 0 | (4) | (5) | 6 | 8 | 0 | 16 | 30 |

| | | | | | | | | | | | | | | | |
|--|-----|-------|-----|-------|-------|-----|-----|-----|------|----|-----|-------|-----|-------|-------|
| FAO Representations (FC) | 30 | 54 | 169 | 481 | 734 | 0 | 2 | 1 | (3) | 0 | 30 | 56 | 170 | 478 | 734 |
| Regional Office for Africa (Accra) (RAF) | 2 | 34 | 1 | 42 | 79 | 0 | 3 | 2 | 0 | 5 | 2 | 37 | 3 | 42 | 84 |
| Subregional Office for Central Africa (Libreville) (SFC) | 1 | 6 | 3 | 5 | 15 | 0 | 2 | 0 | 0 | 2 | 1 | 8 | 3 | 5 | 17 |
| Subregional Office for Eastern Africa (Addis Ababa) (SFE) | 1 | 9 | 3 | 6 | 19 | 0 | 2 | 0 | 0 | 2 | 1 | 11 | 3 | 6 | 21 |
| Subregional Office for Southern Africa (Harare) (SFS) | 1 | 9 | 3 | 9 | 22 | 0 | 2 | 0 | 0 | 2 | 1 | 11 | 3 | 9 | 24 |
| Africa (RAF) | 5 | 58 | 10 | 62 | 135 | 0 | 9 | 2 | 0 | 11 | 5 | 67 | 12 | 62 | 146 |
| Regional Office for Asia and the Pacific (Bangkok) (RAP) | 2 | 45 | 0 | 72 | 119 | 0 | 2 | 1 | (1) | 2 | 2 | 47 | 1 | 71 | 121 |
| Subregional Office for the Pacific Islands (Apia) (SAP) | 1 | 7 | 1 | 7 | 16 | 0 | 1 | 0 | 0 | 1 | 1 | 8 | 1 | 7 | 17 |
| Asia and Pacific (RAP) | 3 | 52 | 1 | 79 | 135 | 0 | 3 | 1 | (1) | 3 | 3 | 55 | 2 | 78 | 138 |
| Regional Office for Europe and Central Asia (Budapest) (REU) | 2 | 19 | 2 | 20 | 43 | 0 | 0 | 2 | 1 | 3 | 2 | 19 | 4 | 21 | 46 |
| Subregional Office for Central Asia (Ankara) (SEC) | 1 | 7 | 3 | 8 | 19 | 0 | 1 | (1) | 1 | 1 | 1 | 8 | 2 | 9 | 20 |
| Europe and Central Asia (REU) | 3 | 26 | 5 | 28 | 62 | 0 | 1 | 1 | 2 | 4 | 3 | 27 | 6 | 30 | 66 |
| Regional Office for Latin America and the Caribbean (Santiago) (RLC) | 2 | 32 | 2 | 42 | 78 | 0 | (1) | 2 | 0 | 1 | 2 | 31 | 4 | 42 | 79 |
| Subregional Office for the Caribbean (Bridgetown) (SLC) | 1 | 8 | 3 | 10 | 22 | 0 | 1 | (1) | 0 | 0 | 1 | 9 | 2 | 10 | 22 |
| Sub-regional Office for Mesoamerica (Panama City) (SLM) | 1 | 8 | 3 | 5 | 17 | 0 | 0 | 0 | 0 | 0 | 1 | 8 | 3 | 5 | 17 |
| Latin America and the Caribbean (RLC) | 4 | 48 | 8 | 57 | 117 | 0 | 0 | 1 | 0 | 1 | 4 | 48 | 9 | 57 | 118 |
| Regional Office for the Near East and North Africa (Cairo) (RNE) | 2 | 26 | 1 | 33 | 62 | 0 | 2 | 3 | (2) | 3 | 2 | 28 | 4 | 31 | 65 |
| Subregional Office for North Africa (Tunis) (SNE) | 1 | 8 | 3 | 12 | 24 | 0 | 0 | 0 | 0 | 0 | 1 | 8 | 3 | 12 | 24 |
| Near East (RNE) | 3 | 34 | 4 | 45 | 86 | 0 | 2 | 3 | (2) | 3 | 3 | 36 | 7 | 43 | 89 |
| Total | 126 | 1,122 | 198 | 1,499 | 2,945 | (1) | 25 | 9 | (33) | 0 | 125 | 1,147 | 207 | 1,466 | 2,945 |

* Subregional Office for the Gulf Cooperation Council States and Yemen (SNG) posts are funded by Trust Funds and therefore not shown in the post counts above.





Annex VII: 2016-17 Net Appropriation by Organizational Outcome before and after cost increases*(USD thousands)*

| SO/FO and Org Outcome | Net Appropriation before cost increases | Cost Increases | Net Appropriation after cost increases |
|-----------------------|---|----------------|--|
| 1.01 | 50,665 | 2,394 | 53,059 |
| 1.02 | 14,077 | 831 | 14,908 |
| 1.03 | 17,465 | 443 | 17,908 |
| 1 | 82,207 | 3,668 | 85,875 |
| 2.01 | 60,281 | 2,351 | 62,632 |
| 2.02 | 48,109 | 2,076 | 50,186 |
| 2.03 | 33,619 | 1,373 | 34,991 |
| 2.04 | 57,919 | 2,746 | 60,665 |
| 2 | 199,927 | 8,547 | 208,474 |
| 3.01 | 40,338 | 1,563 | 41,901 |
| 3.02 | 14,955 | 583 | 15,537 |
| 3.03 | 8,876 | 301 | 9,177 |
| 3 | 64,169 | 2,447 | 66,616 |
| 4.01 | 57,268 | 1,912 | 59,181 |
| 4.02 | 29,937 | 1,122 | 31,059 |
| 4.03 | 17,799 | 915 | 18,714 |
| 4 | 105,004 | 3,949 | 108,953 |
| 5.01 | 14,246 | 422 | 14,669 |
| 5.02 | 13,994 | 444 | 14,438 |
| 5.03 | 16,506 | 709 | 17,215 |
| 5.04 | 5,299 | 154 | 5,453 |
| 5 | 50,045 | 1,730 | 51,775 |
| 6.01 | 34,556 | 867 | 35,423 |
| 6.02 | 7,451 | 204 | 7,654 |
| 6.03 | 3,664 | 76 | 3,740 |
| 6.04 | 1,352 | 10 | 1,362 |
| 6.05 | 2,223 | 38 | 2,260 |
| 6.06 | 10,000 | 245 | 10,245 |
| 6 | 59,245 | 1,439 | 60,684 |
| 7.01 | 4,604 | 168 | 4,772 |
| 7.02 | 136,217 | 3,333 | 139,550 |
| 7 - TCP | 140,821 | 3,502 | 144,323 |
| 8.01 | 32,984 | 246 | 33,230 |
| 8.02 | 32,919 | 123 | 33,042 |
| 8.03 | 10,950 | 362 | 11,312 |
| 8 | 76,852 | 731 | 77,583 |
| 9.01 | 36,026 | 1,120 | 37,147 |
| 9 | 36,026 | 1,120 | 37,147 |
| 10.01 | 26,863 | 994 | 27,857 |
| 10.02 | 15,808 | 456 | 16,263 |
| 10.03 | 39,322 | 2,044 | 41,366 |
| 10 | 81,992 | 3,494 | 85,486 |
| 11.01 | 13,196 | 468 | 13,664 |

| SO/FO and Org Outcome | Net Appropriation before cost increases | Cost Increases | Net Appropriation after cost increases |
|----------------------------------|---|----------------|--|
| 11.02 | 1,996 | 24 | 2,020 |
| 11.03 | 59,762 | 2,508 | 62,271 |
| 11 | 74,955 | 3,000 | 77,955 |
| 12.01 | 600 | 0 | 600 |
| 12 - Contingency | 600 | 0 | 600 |
| 13.01 | 5,912 | 145 | 6,056 |
| 13.02 | 4,554 | 111 | 4,666 |
| 13.03 | 6,420 | 157 | 6,577 |
| 13 - Capital Expenditure | 16,886 | 413 | 17,299 |
| 14.01 | 9,413 | 107 | 9,520 |
| 14.02 | 13,605 | 174 | 13,778 |
| 14 - Security Expenditure | 23,017 | 281 | 23,298 |
| Total | 1,011,748 | 34,321 | 1,046,069 |

List of Acronyms

| | |
|-------------------|--|
| AAHM | Alliance Against Hunger and Malnutrition |
| AGRIS | International Information System for the Agricultural Sciences and Technology |
| AGROVOC | Multilingual Thesaurus of Agricultural Terminology |
| AMR | Antimicrobial resistance |
| APRC | Regional Conference for Asia and the Pacific |
| ARC | Regional Conference for Africa |
| ASEAN | Association of Southeast Asian Nations |
| ASMC | After-service Medical Coverage |
| ASTF | Africa Solidarity Trust Fund |
| AU | African Union |
| CAADP | Comprehensive Africa Agriculture Development Programme |
| CAPEX | Capital Expenditure |
| CARMs | Corporate Areas for Resource Mobilization |
| CCP | Committee on Commodity Problems |
| CCRF | Code of Conduct of Responsible Fisheries |
| CELAC | Community of Latin American and Caribbean States |
| CFS | Committee on World Food Security |
| CIO | Information Technology Division |
| COAG | Committee on Agriculture |
| CODEGALAC | Comisión de Desarrollo Ganadero para América Latina y el Caribe |
| COFI | Committee on Fisheries |
| COFO | Committee on Forestry |
| COPESCAL | Commission for Inland Fisheries and Aquaculture of Latin America and the Caribbean |
| CPA | Conference, Council and Protocol Affairs Division |
| CPF | Country Programming Frameworks |
| CPMB | Corporate Programmes Monitoring Board |
| CSA | Administrative Services Division |
| CSD | Corporate Services Department |
| CSDU | Headquarters Security Unit |
| DDN | Deputy Director-General (Coordinator for Natural Resources) |
| DDO | Deputy Director-General (Operations) |
| DDOS | Field Security Unit |
| DM | Delivery Manager |
| DRM | Disaster risk management |
| DRR | Disaster risk reduction |
| EBRD | European Bank for Reconstruction and Development |
| ECA | UN Economic Commission for Africa |
| ECHO | EU Humanitarian Aid and Civil Protection department |
| EMPRES | Emergency Prevention System |
| ERC | Regional Conference for Europe |
| ERP | Enterprise resource planning system |
| ESP | Social Protection Division |
| EU | European Union |
| EuFMD | European Commission for the Control of Foot-and-Mouth Disease |
| FAOR | FAO Representative |
| FAOSTAT | Corporate Database for Substantive Statistical Data |
| FCC-EMPRES | Food Chain Crisis Emergency Prevention System |
| FMM | FAO Multipartner Programme Support Mechanism |
| FRA | Global Forest Resources Assessments |
| GAEZ | Global Agro-Ecological Zones |

| | |
|----------------|--|
| GEF | Global Environment Facility |
| GFCE | Gross fixed capital formation |
| GIAHS | Globally Important Agricultural Heritage Systems |
| GLADIS | FAO Global Land Degradation Information System |
| GMG | Global Migration Group |
| GRMS | Global Resource Management System |
| GS | General Service |
| HFLACI | Hunger-Free Latin America and the Caribbean Initiative |
| HLTF | UN High-Level Task Force on the Global Food Security Crisis |
| ICN2 | Second International Conference on Nutrition |
| ICSC | International Civil Service Commission |
| IFAD | International Fund for Agricultural Development |
| ILO | International Labour Organization |
| iNARC | Informal Regional Conference for North America |
| IPCC | Intergovernmental Plant Protection Convention |
| IPSAS | International Public Sector Accounting Standards |
| IT | Information technology |
| LACFC | Latin American and the Caribbean Forestry Commission |
| LADA | FAO Land Degradation Assessment in Drylands system |
| LARC | Regional Conference for Latin America and the Caribbean |
| LDC | Least developed country |
| LEG | Legal and Ethics Office |
| MAFAP | Monitoring and Analysing Food and Agricultural Policies |
| MTP | Medium Term Plan |
| NEPAD | New Partnership for Africa's Development |
| NERC | Regional Conference for the Near East |
| OCC | Office of Corporate Communication |
| OECD | Organisation for Economic Co-operation and Development |
| OED | Office of Evaluation |
| OIE | World Organisation for Animal Health |
| OIG | Office of the Inspector-General |
| OO | Organizational Outcome |
| OPC | Office for Partnerships, Advocacy and Capacity Development |
| OSH | Occupational Safety and Health |
| OSD | Office of Support to Decentralized Offices |
| OSP | Office of Strategy, Planning and Resources Management |
| OWG | Open Working Group |
| PWB | Programme of Work and Budget |
| RAI | Responsible Agriculture Investment |
| REACH | Renewed Effort Against Child Hunger |
| REDD | United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries |
| RI | Regional Initiative |
| RIMA | Resilience Index for Measurement and Analysis |
| SDG | Sustainable Development Goal |
| SFERA | Special Fund for Emergency and Rehabilitation Activities |
| SIDS | Small island developing states |
| SLM | Sustainable land management |
| SME | Small and medium-sized enterprise |
| SOC | Strategic Objective Coordinator |
| SPIAC-B | Social Protection Inter-agency Coordination Board |
| SRA | Special Reserve Account |
| SSC | South-South Cooperation |
| SUN | Scaling Up Nutrition |
| TCP | Technical Cooperation Programme |

| | |
|---------------|--|
| TCS | South-South and Resource Mobilization Division |
| TPF | Terminal Payments Fund |
| UNDSS | United Nations Department of Safety and Security |
| UNFCC | United Nations Framework Convention on Climate Change |
| UNICC | International Computing Centre |
| UNIDO | United Nations Industrial Development Organization |
| VGGT | Voluntary Guidelines for the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security |
| WCDRR | World Conference on Disaster Risk Reduction |
| WCF | Working Capital Fund |
| WECAFC | Western Central Atlantic Fishery Commission |
| WFP | World Food Programme |
| WHO | World Health Organization |
| WTO | World Trade Organization |



mm710e