

July 2009

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Food
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des
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Продовольственная и
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организация
Объединенных
Наций

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

PROGRAMME AND FINANCE COMMITTEES

**Hundred and Second Session of the Programme Committee and
Hundred and Twenty-eighth Session of the
Finance Committee**

Rome, 27 – 31 July 2009

**DRAFT MEDIUM TERM PLAN 2010-13 AND
PROGRAMME OF WORK AND BUDGET 2010-11**

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DIRECTOR-GENERAL'S FOREWARD

Complementing the Strategic Framework 2010-19, this document contains proposals for consideration by the Governing Bodies regarding the Medium Term Plan 2010-13 (MTP) and the Programme of Work and Budget 2010-11 (PWB). While physically separate as agreed by the Council at its June 2009 session, the Strategic Framework and MTP/PWB documents are closely linked as means to ends. This is in line with the expectations in the Immediate Plan of Action for FAO's Renewal (IPA) of a revitalized "family" of planning documents with different time horizons, but rooted in the same Results-based Management principles. The MTP/PWB proposals are the "operational" arm of the broad blueprint for action embodied by the Strategic Framework.

In the Foreword to the Strategic Framework, emphasis is placed on the length to which Members themselves have gone – with active support from the Secretariat, as required – in debating the best combination of high-level Strategic and Functional Objectives for ultimate endorsement by the November 2009 session of the FAO Conference. Going well beyond the progressively evolving "elements", as were submitted to last Conference, this document provides Members for the first time with the opportunity to see, and react to a fully articulated package, including the critical dimension of resources.

Two major signals form the very special backdrop to the formulation of the present proposals. The first is the very grim message that hunger has been on the rise again, with the estimated number of malnourished people passing the one billion mark. The second is that the Members of FAO and its staff can be greatly emboldened by the fact that agriculture is back to centre stage.

It is indeed highly gratifying – and perhaps FAO can claim some important role in this – to observe the much heightened awareness at all levels (internationally, regionally and in individual countries) of the need to act urgently to address the unacceptable situation

of growing hunger. The recent L'Aquila Joint Statement on Global Food Security signals a welcome and encouraging shift of policy in favour of helping the poor and hungry to produce their own food. And the Summit on Food Security to be held just before the Conference will no doubt help to crystallize further this will to act.

But prevailing hunger and malnutrition is only the most compelling of the challenges facing Members in areas of FAO's mandate. The Strategic Framework presents a full analysis of the major trends, challenges and other factors with bearing on FAO over the medium to longer term, and which have influenced the formulations of Objectives and underlying Organizational Results.

As called for by the IPA, and in order to make a clear link between the results that need to be delivered and the required resources, the Medium Term Plan and Programme of Work and Budget are, for the first time, presented in a combined document. The Medium Term Plan emphasizes the formulation of the Strategic and Functional Objective results frameworks, together with indicators and targets for achievement, which the Organization commits to delivering over the next four years. The formulation of these frameworks has helped all of us, together, to begin to focus and prioritize the work of the Organization, which will continue into the next biennium.

The PWB part, on other hand, sets out the resources that will need to be applied – from both assessed and voluntary contributions – over the first two years of the Medium Term Plan. The formulation process was particularly complex, as the PWB 2010-11 is in effect an all-inclusive package of reform and programme of work. On the basis of the proposals therein, Members should be in position to make sure that this Organization can operate on a firm footing from the beginning of the next biennium.

Among the major dimensions, the implications of the wide-ranging reforms underway in FAO through the IPA and the outcome of the Root

and Branch Review need to be adequately reflected; a new organizational structure at headquarters is to be put in place in due course and in an orderly fashion; long-standing problems in relation to key financial mechanisms and reserves have not gone away and require continued attention by Members to identify, or pursue viable solutions; and the new results-based approach has to be incorporated with all its ramifications. As also specified in the IPA, a more integrated presentation of resources has been used, including the innovative feature of Core Voluntary Contributions.

Therefore, considerable changes are involved at this juncture, which must find their way in this PWB, including in the budgetary Appropriations Resolution to be approved by the Conference.

At the time of writing, the CoC-IEE is still discussing the concept of “reform with growth” and is expected to submit its conclusions directly to the Conference. The Secretariat cannot, and does not wish to prejudge these conclusions. It faces, however, a serious dilemma. On the one hand, can management and staff suppress a deep sense of duty in wanting to see FAO well-equipped to shoulder the responsibilities the international community may want to entrust to it as the result of the high-level policy discussions to fight food insecurity? On the other hand, as the current global economic and financial crisis is still unfolding, can the exceptional difficulties

most, if not all, countries are experiencing as regards national public budgets, be ignored?

The present PWB foresees an integrated programme with total resources required for the next biennium at about USD 2,300 million. However, in respect of the share of this total coming from assessments on Members, the proposal is limited to a “maintenance” budget, defined as the level that preserves purchasing power by factoring estimated cost increases and the incremental requirements for capital and security expenditure.

The intent to limit the call on assessments to the maximum extent possible is matched by the conviction that the present positive signals for voluntary contributions from a variety of funding sources would continue to hold true in the future. The recent approval of a substantial programme of assistance to vulnerable countries by the European Union to be delivered under FAO’s auspices provides a sterling example of renewed mark of confidence in this Organization.

Management and staff remain of course committed to implement with due diligence the directives from the Governing Bodies which will stem from their examination and discussion of these Medium Term Plan and Programme of Work and Budget proposals.

Jacques Diouf
Director-General

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*Guide to the Combined Medium Term Plan /
Programme of Work and Budget Document*

1. In its section on “*Reform of Programming, Budgeting and Results-based Monitoring*” (paragraphs 33 onwards) the IPA describes in broad terms the place and scope of the Medium Term Plan (MTP) and Programme of Work and Budget (PWB) in the revitalised family of forward-looking planning documents, alongside the longer-term Strategic Framework.
2. The Medium Term Plan is to have a four-year time horizon and be reviewed each biennium, while covering:
 - Strategic Objectives (SOs) for achievement with support from FAO by member countries and the international community, as per the Strategic Framework;
 - Organizational Results (ORs) framework (outcomes) – a maximum of some 80 inclusive of the functional objectives, contributing to the achievement of Strategic Objectives by member countries and the international community;
 - Impact Focus Areas (IFAs) that provide a communication and advocacy tool to orient resource mobilization and partnering efforts toward priority groups of Results;
 - Core Functions of FAO; and
 - Functional Objectives (FOs) that ensure organizational processes and administration work towards improvements in a Results-based Framework.
3. The PWB is to cover a single biennium, with the budget divided between an administrative budget and a programme budget from assessed contributions and estimated extra-budgetary resources presented in a results-based framework and providing:
 - Organizational Results framework (outcomes) as per the Medium Term Plan, including the organizational responsibility for each result;
 - quantification of costs for all Organizational Results and all obligations;
 - calculation of cost increases and planned efficiency savings;
 - provision for long-term liabilities, under-funded obligations and reserve funds;
 - draft Appropriations Resolution for approval by the Conference. In this case, two draft Appropriations Resolutions are presented as possible options for Members to consider, due to the new structure of Objectives, while also taking account of important legacy items from previous Appropriations Resolutions.
4. At its 136th Session of June 2009, the FAO Council endorsed the recommendation from the Programme and Finance Committees that the Strategic Framework and the MTP/PWB proposals be presented as two physically separate documents.
5. The present combined draft MTP/PWB document is in consonance with the above expectations from governing bodies. While serving distinct purposes as set out in the IPA, the MTP and PWB parts are to be seen as fully complementing each other. Their contents have been shaped so as to make each part reasonably self-contained.

Medium Term Plan 2010-13

Medium Term Plan 2010-13

A. OVERALL CONTEXT

Trends and challenges

6. In formulating the Medium Term Plan, it is important to consider the fundamental trends that will affect food and agriculture at global, national and local levels in the coming decades. Their impacts will generally be felt most strongly in the developing countries, especially as their ability to cope with challenges is more limited. The situation is further compounded by the unfolding global financial and economic crisis.
7. The main challenge facing global food, agriculture and rural development is the large and increasing number of undernourished in the world and the prospect of rising inequality and problems of access to food by the most vulnerable populations. Other important concerns include:
 - a) further, though slower population growth for the world as a whole, but continued high population growth in developing countries, particularly in LDCs; according to current projections (UN 2006) the world's population is likely to rise from about 6.5 billion in 2005 to nearly 9.2 billion by 2050. The entire increase of 2.7 billion will take place in developing countries and the share of developed countries and transition economies is projected to shrink;
 - b) a worrisome global food insecurity situation which continues to represent a serious threat for humanity. Global hunger has been non-declining, with close to 850 million people constituting a "core" which the world community has failed to reduce. Close to 150 million have been added recently by the combined effects of high food prices and the global financial and economic crisis. At the time of writing, the world counts approximately 1 billion people suffering from chronic hunger – that is 15 percent of the world population;
 - c) rapidly ageing populations in developed and relatively advanced developing countries and dynamic urbanisation in all developing regions. The massive population shift from rural to urban areas will be so pronounced that urban areas will have to absorb nearly 3.9 billion people by 2030. Rural areas are likely to remain the nucleus of world hunger and to contain the majority (51percent) of the developing world's population at least through 2015. Continued predominance of youth may still distinguish rural areas of sub-Saharan Africa and South Asia, particularly among the poor;
 - d) massive shifts in food production and consumption patterns, including a growing "double burden" of malnutrition, i.e. the co-existence of undernourishment and over-nutrition. Rising urbanisation will have a profound impact on the location of food production and on volumes and composition of national and international trade and food distribution channels. The food sector will become more industrialised to meet both efficiency needs for transport and greater shelf-life. Alongside this transformation, demand for higher food quality and safety is also expected to rise. Industrialisation of the food sector implies rapid changes in the organisation and structure of agricultural markets and services, including growing importance of the modern retail sector, coordination in value chains, specialised procurement practices, product certification and labelling, and contracting;
 - e) increasing demands for food due to higher life expectancy and a better nutritional status. With a global population of 9.2 billion people by 2050, food production (both crops and livestock, as well as contributions from fisheries and forestry) will have to nearly double over levels attained in 2000. Much of the increase will need to take place in developing countries. For this increase to materialise, new land will have to be brought into cultivation, and competing requirements for land, and their related water resources and biodiversity, will have to be reconciled. More importantly, productivity of existing agricultural resources (land, water, plant and animal genetic resources) will need to rise further through intensification and enhanced resource use efficiency;

- f) increased international trade as well as growing mobility of capital and labour both across borders and within countries. Growing trade is to be coupled with greater importance of, and concerns about food safety and biosecurity issues, including transboundary pests and diseases. This rapidly evolving context will require well articulated trade policies and support measures, with attention to competitiveness, not just in exports but also in terms of domestic and regional markets, and to identifying opportunities from increased demand;
 - g) continuing gender and social inequalities in access to productive resources and services, particularly by women and young and indigenous people in rural areas, intensifying their vulnerability to food insecurity and poverty. Special efforts will be needed to offer decent opportunities to the 60 percent of the world's 450 million agricultural workers who live in poverty, including by improving occupational health and safety, supporting farmer and worker organizations and trade unions, ensuring basic social security, and reducing child labour in post-harvest processing, transport, marketing and agro-industries;
 - h) considerable pressures on natural resources such as land, water and biodiversity, which could also fuel potential conflicts. Demands on agriculture will also mount to provide not only food and feed, but also commodities for energy and other purposes. More integrated food-energy systems and sustainable management of natural resources should be put in place;
 - i) climate change and consequent increases in the severity and frequency of weather-related impacts on food production, with more frequent and severe occurrence of emergencies and disasters. These changes require additional investments to enhance adaptive capacities. In addition, agriculture will also be required to adjust its production methods to help mitigate the overall impact of climate change. Mitigation efforts will further raise investment requirements, creating an additional burden for developing countries; and
 - j) the continuing incidence of food and agricultural emergencies, whether due to natural causes or human-induced, which generally have the most severe consequences on the food security and livelihoods of poor, vulnerable and agriculturally-dependent populations. Emergency preparedness, response and rehabilitation must address the specific needs of agriculture-based populations.
8. Other developments with bearing on FAO's action over the medium term and beyond, which provide opportunities to address these challenges, include:
- a) continued evolution of the countries' principal role of providing policy and regulatory frameworks conducive to sustainable development;
 - b) growing number of countries in the middle-income group, and increased reliance on regional and subregional groupings;
 - c) global governance mechanisms to address issues common to all countries, such as food security, biodiversity loss (in particular the erosion of genetic resources for food and agriculture), climate change, deforestation, land and water degradation, and disease emergence;
 - d) a broadening base of governance to give full recognition to the roles and interests of the private sector, NGOs, regional economic organizations, regional development banks and other agencies;
 - e) the increased awareness in the general public regarding environmental, health and development dimensions of food production, trade and consumption systems, prompting governments, civil society and the private sector to act in making food supply chains more environmentally friendly, supportive of human health, and pro-poor;
 - f) the opportunities offered by scientific and technological innovations, coupled with the rapid spread of affordable information and communication technologies, supporting global sharing of information and knowledge;
 - g) steady increase in payment for environmental services in developing countries;

- h) a new momentum – after decades of “benign neglect” – to re-invest in agriculture;
- i) evolving financial and institutional environments, particularly amongst humanitarian actors (with for example increased level of, and more diversified funding related to emergencies and rehabilitation, coupled with pooled arrangements at the global and country levels); and
- j) the evolving role and performance of the UN system in a context of widespread reforms particularly at country level, and the impact of the Paris Declaration on aid harmonisation, alignment and predictability.

B. THE RESULTS-BASED APPROACH IN THE ORGANIZATION

9. The Immediate Plan of Action for FAO's Renewal (IPA) approved by the 35th (Special Session) of the FAO Conference in November 2008 lays the foundation of an enhanced results-based approach to programme planning and implementation in the Organization. This is coupled with a revised and more inclusive inter-governmental process of review of priorities and programme and budget proposals.

10. The four-year Medium Term Plan applies the principles and major elements of the results-based approach. The major elements, as set forth in the Strategic Framework, comprise:

- **Global Goals** representing the fundamental development impacts, in the areas of FAO's mandate, which the member countries aim to achieve;
- **Strategic Objectives** contributing to the achievement of the Global Goals;
- **Functional Objectives** providing the enabling environment for FAO's work;
- **Organizational Results** defining the outcome of FAO's work under each Strategic and Functional Objective; and
- **Core Functions** as the critical means of action to be employed by FAO to achieve results.

11. The eleven Strategic Objectives agreed in the Strategic Framework reflect the assessment of challenges facing food, agriculture and rural development. They express the impact, in countries, regions and globally, expected to be achieved over a long-term (ten-year) timeframe by Members based on FAO's value-added interventions. In order to ensure that all aspects of FAO's work are considered within a results-based framework, complementary Functional Objectives assist the Organization to ensure effective impact of technical delivery, with due attention to efficiency and, therefore also firmly contribute to the achievement of Strategic Objectives (see *Figure 1*).

12. Under the Strategic Objectives, the more specific Organizational Results represent the outcomes expected to be achieved over a four-year period through the taking-up and use by member countries and partners of FAO's products and services. The identification of Organizational Results also applies to Functional Objectives.

13. The eight Core Functions draw on FAO's comparative advantages and are to be applied at all levels: global, regional and national. They are subject to articulated strategies to ensure coherent approaches, cooperation among organizational units, mutual learning and the pursuit of excellence.

14. The Organizational Results, as measured by indicators, constitute the backbone of the four-year Medium Term Plan and biennial Programme of Work and Budget, reflecting the substantive priorities upheld by the membership.

15. The other tools to inform the development, and contribute to the achievement of the Organizational Results and Strategic Objectives include:

- National Medium-term Priority Frameworks which are developed together with the concerned governments to focus FAO's efforts on well identified national needs;
- structured and consultative development of subregional and regional areas of priority action, including *via* the Regional Conferences and specialised Regional Commissions; and
- at the global level, a limited number of Impact Focus Areas.

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

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

The three Global Goals of Members

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

Strategic Objectives

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

Functional Objectives

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

Core Functions

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

C. FORMULATION OF RESULTS-BASED FRAMEWORKS

16. In adopting the IPA in November 2008, the FAO Conference endorsed the application of new results-based management (RBM) principles and specified the format for presentation of Strategic and Functional Objectives and underlying Organizational Results in the Medium Term Plan. The stipulations in the IPA regarding the application of RBM were the culmination of reflections on key aspects carried out in the Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE) and its Working Groups during the year 2008, based on a number of analytical documents prepared by management.

17. On this basis, the results-based frameworks for the SOs and FOs have been prepared to be agreed by the membership in the Medium Term Plan. Drafts of these results frameworks were considered on several occasions by the CoC-IEE and its Working Group 1 (WG1) and advice was also obtained from the Technical Committees of the Council at their Sessions of early 2009, as well as the Programme and Finance Committees at their Sessions of 11-15 May 2009.

Formulation process

18. Senior managers (Assistant Directors-General and Heads of Offices) were assigned responsibility for formulating the results framework for each Strategic and Functional Objective. They formed inter-departmental Strategy Teams for this purpose, including staff in decentralized offices and with a senior officer designated as team leader. Supportive activities included a series of briefings, training courses and a “Results Marketplace” to share results framework formulations and good practices among Strategy Teams, staff and Members. An information sharing node was established in the Organization’s Web-based planning system PIREs to facilitate access by all staff to guidance and training materials, as well as the results framework for each Strategic and Functional Objective, as they evolved.

19. In line with IPA action 3.79 to fully involve ADG/Regional Representatives in programming and budgeting, horizontal consultations were carried out within regions/subregions to assess priorities, based on available draft results frameworks, coupled with vertical consultations with Strategy Teams. A major challenge was that the timeframe available for preparation of the planning documentation in 2009 was shorter than for the next full cycle that will start in 2010. Thus the regional contributions could not benefit from guidance on regional priorities by the Regional Conferences. The development of regional and subregional areas of priority action is foreseen for consideration by the Regional Conferences in 2010.

20. Given that there is a mix of sectoral and cross-cutting SOs, Members have stressed the importance of proper integration of the Strategic Objectives and their Organizational Results to ensure that the areas of work covered are complementary to one another and clearly delineated so as to avoid duplication. The CoC-IEE WG1 endorsed principles to promote this integration, including: i) the need to incorporate in sectoral ORs clearly identifiable links to primarily cross-cutting areas; ii) specification of the added interdisciplinary value that cross-sectoral ORs would bring to the implementation of all SOs; and iii) inter-disciplinary coordination mechanisms to support integrated approaches.

21. The Strategy Teams used logframe-based analysis to validate how the proposed Organizational Results addressed key problems and to identify any gaps and overlaps. The determination of where FAO is best placed to intervene, as a step in priority setting, was guided by the criteria outlined in the IPA: past organizational performance; existing technical capacity, including for cross-disciplinarity; integration of strengths in advocacy, normative work and technical cooperation; availability of alternative sources of supply and avoidance of duplication; and partnership opportunities. At the Organizational Result level, the teams: formulated indicators of outcome, including targets and means of verification; identified key assumptions and risks associated with each indicator, together with the appropriate mitigation strategies; and validated the primary tools – the goods and services FAO will need to provide – taking account of FAO’s strengths in terms of application of the core functions and the criteria noted above.

22. Early drafts of the results frameworks were reviewed by the Committees on Agriculture, Fisheries, and Forestry. The Committees provided comments on the substance of the frameworks under their purview and the Council requested that further prioritization be undertaken at their next Sessions. The Council also observed that achieving further progress in prioritization would require a long-term commitment from both Members and Management.¹

Contributions of strategy teams

23. The strategy teams facilitated discussion and consultation within and across units at headquarters and decentralized offices and ensured the effective application of a results-based approach. Relatively broad guidance was provided on their function and composition (i.e. staff directly responsible for constituent results, staff from other relevant disciplines, contributing decentralized offices). This type of arrangement has contributed to multi-disciplinary discussions and analytic work (e.g. on average about one-third of team members were from outside the lead department) helping to ensure a holistic approach in formulating the results and selecting the primary tools.

24. The role and responsibility of the teams will be further developed and formalised, so as to empower them to play an active role in implementation monitoring and reporting. This is critical to ensure that the budgets and more detailed workplans of the units contributing to each of the Organizational Results are fully aligned with the thrusts set forth in the medium-term planning exercise. It will also enable the teams to coordinate monitoring and reporting on expected achievements as expressed through the Organizational Result indicators.

Indicators

25. The formulation of specific, measurable, achievable, realistic and time-bound (SMART) indicators of outcome is at the heart of the new FAO planning framework, and will be one of the critical success factors for an effective results-based management system. This has presented significant challenges in preparing the MTP, as staff capacity to identify and select indicators of requisite quality is generally uneven, and needs to be strengthened. The iterative formulation process has enabled progressive improvements in this area, aiming for: i) indicators that can measure outcome rather than output level results; ii) the ability to effectively benchmark, measure and monitor the indicators on an ongoing basis through baselines and data sources (means of verification); iii) more efforts to limit the number of indicators for each outcome, so as to permit monitoring within foreseeable resource levels; and iv) enhance consistency in phraseology.

26. A central aspect of this formulation is ensuring the ability to effectively benchmark and periodically assess progress – which is made possible by the identification of baselines and targets. An indicator baseline is the value of the indicator measured at the beginning of the period – in this case the beginning of 2010- or current value, where the 2010 value cannot be known. An indicator target is the value of the same indicator at the end of the two-year PWB and four-year MTP, reflecting what is expected to be achieved during those periods.

27. As an example the indicator “*Number of countries that have adopted FAO sterile insect techniques for locust control*” was a baseline of 5 countries, a two-year target of 10 countries and a four year target of 15 countries. At the end of the two years there is a commitment to have 10 countries which have adopted sterile insect techniques – the 5 countries included in the baseline plus 5 additional countries. Similarly, at the end of the four years there will be 15 countries – the 5 countries included in the baseline plus the 5 additional countries during the first two years, plus a further 5 countries during the second two years.

28. Establishing the baseline for an indicator normally involves undertaking an analysis or study. Following on this, in preparing the current draft of the MTP it has not been possible to immediately establish baselines for indicators in cases where the required analysis has not yet been completed. In such instances, it has been indicated that the baseline is “to be determined” and thus the provisional targets that appear in the text will most likely need to be adjusted to reflect the baselines.

¹ CL 136/REP paragraph 65

Accountability framework

29. Clear managerial responsibilities throughout the cycle of preparation, implementation and assessment are to be assigned for each Strategic Objective, Functional Objective, Organizational Result, Core Function and Impact Focus Area. Managers at all locations will be accountable for progress, not only in terms of provision of products and services, but also the results achieved.

30. In practice, senior managers (Assistant Director-General or Head of Office) have been assigned responsibility for each Strategic and Functional Objective, Core Function and Impact Focus Area. These senior managers have the overall responsibility for ensuring the suitability and coordination of work across the Organization for achieving results under each area. Individual units will be held accountable for aligning workplans and resources to deliver specific, agreed contributions to overall corporate (including regional, subregional and national) goals. Performance measurement, both for managers and staff, will reinforce the alignment of individual accountability and achievement of intended results.

Application of core functions

31. When designing an intervention, management must decide on an appropriate set of primary tools – goods and services to be delivered to stakeholders – that will most effectively leverage the Organization’s comparative advantages. In doing so, FAO has a powerful “toolkit” at its disposal – the means of action articulated in the Organization’s core functions. The IPA recognised the critical importance of eight core functions, which are shown in *Figure 2* and elaborated in the Strategic Framework.

Figure 2: Core Functions of FAO

- a) Providing long-term perspectives and leadership in monitoring and assessing trends in food security and agriculture, fisheries and forestry.
- b) Stimulating the generation, dissemination and application of information and knowledge, including statistics.
- c) Negotiating international instruments, setting norms, standards and voluntary guidelines, supporting the development of national legal instruments and promoting their implementation.
- d) Articulating policy and strategy options and advice.
- e) Providing technical support to:
 - promote technology transfer;
 - catalyse change; and
 - build capacity, particularly for rural institutions.
- f) Undertaking advocacy and communication, to mobilise political will and promote global recognition of required actions in areas of FAO’s mandate.
- g) Bringing integrated interdisciplinary and innovative approaches to bear on the Organization’s technical work and support services.
- h) Working through strong partnerships and alliances where joint action is needed.

32. In order to facilitate understanding by the membership, the application of core functions in the implementation of the SOs is shown in tabular form in the results frameworks presented in *Section D* below.

Impact Focus Areas

33. The resource mobilisation strategy in the Immediate Plan of Action specifies close integration of projected extra-budgetary resources with assessed contributions, within the new programming and

budgeting process, in support of approved Strategic Objectives. It highlighted Impact Focus Areas (IFAs) to orient resource mobilization and partnering effort towards priority groups of Organizational Results across or within the Strategic Objectives, acting as “flagships” and providing a communication and advocacy tool. IFAs also contribute to improved governance and oversight of extra-budgetary resources, aiming to progressively enable pooled funding of voluntary extra-budgetary contributions. IFAs have a duration of four years and will be reviewed each biennium, in line with results and emerging needs.

34. The MTP presents the full elaboration of seven IFAs, as summarised in *Figure 3* and elaborated in *Web Annex XII*. The IFA formulations comprise: an “over-arching” description of the IFA, i.e. its justification and overall focus; the Organizational Results supported; and partnerships that will contribute to the IFA. Emphasis was put on the identification of significant partnerships, including efforts to secure contributions from important external partners in terms that do not necessarily translate into financial resources, but are nonetheless critical to the achievement of the related Organizational Results. Resources attracted through the IFAs will contribute directly to the achievement of the ORs.

Figure 3: Impact Focus Areas**Support to the implementation of the CFA - smallholder farmer food production and global information and monitoring systems (IFA-CFA)**

The Comprehensive Framework for Action of the UN High-Level Task Force on the Global Food Crisis provides governments, regional and international organizations with a menu of policies and actions from which to draw responses that are appropriate to the specific needs, capacities and conditions of regions and countries. The purpose of the IFA-CFA is to increase the scale and focus of FAO's corporate support to achievement of the CFA outcomes: "*Smallholder farmer food production growth sustained*", and "*Global information and monitoring systems strengthened*".

Transboundary threats to production, health and environment (IFA-EMPRES)

EMPRES supports the building of national, sub-regional, regional and global systems for surveillance, identification of sources of potential and imminent threats, detection of outbreaks, early warning, rapid response, supportive research, and rehabilitation emphasizing "building back better" after outbreaks of transboundary animal diseases and plant pests, and food safety incidents. The IFA will focus on strengthening national systems, especially in developing countries, to recognize and respond to transboundary threats earlier; reduce the risk of those threats spreading within countries, to neighbouring countries and to trading partners; protect national production; ensure food safety and quality along the supply chain; and reduce environmental and health risks.

Strengthening the base for sustainable forest management (IFA-SFM)

In many countries, there is a disconnect between information about forests and trees, and implementing effective practices to improve their management and conservation. The IFA focuses on strengthening national capacities to monitor, assess, report on, and validate forest and tree resources, land uses, and the effective implementation of forest policies and responsible practices based on good information and transfer of knowledge. It will also strengthen capabilities to contribute to international policy formulation and to meet global reporting obligations under the UN Framework Convention for Climate Change, the Convention on Biological Diversity, Convention to Combat Desertification, and the UNFF (Forum on Forests) non-legally binding instrument on all types of forests.

Capacity building in support of Implementation of the Code of Conduct for Responsible Fisheries (IFA-CCRF)

The IFA supports the promotion of responsible fisheries and aquaculture sector management at the global, regional and national levels with priority given to capacity building in support of implementation of the Code of Conduct for Responsible Fisheries, Compliance Agreement and associated International Plans of Action.

Coping with scarcity of water and land resources (IFA-WALS)

The scarcity of water and land resources, aggravated in some regions by the impact of climate change, are among the main constraints to doubling the world's food production between now and 2050 and securing adequate food supply at local, national and global levels, while preserving the natural resources base. The agriculture sector will need to increase water and land productivity in a sustainable manner, while negotiating water allocations with other users as a matter of priority. This IFA will contribute to the achievement of the Strategic Objectives where water is a prime productive and environmental agent, providing a focus on natural resource scarcity within and across them, particularly in view of climate change and competition among sectors. It will serve as a platform to mobilize resources in order to scale up operational responses in water and agricultural management, to address the points of competition and reduce the threats to global agricultural production posed by water and land scarcity.

Capacity building to strengthen information and statistics for decision-making for the sustainable management of agriculture, natural resources, food security and poverty alleviation (IFA-CBIS)

FAO plays a key role in the collection, analysis, interpretation and dissemination of information and statistics on nutrition, food, agriculture and forest and fishery resources. Quality issues are at the heart of improving the statistics compiled by FAO as was clearly recognized in the recent independent evaluation on statistics in FAO (2008). The purpose of the IFA is to increase the scale and focus of FAO support to achieve improved basic quality of the data provided by Member Countries, in particular in those countries where the data is most needed to assess food insecurity and vulnerability.

Global standard setting and implementation into national policies and legislation (IFA-SNL)

The effective development and implementation of internationally recognized standards, agreements and action plans adopted by FAO statutory bodies and commissions, in particular to satisfy requirements under WTO Agreements, rely on national capacity and secretariat support. The IFA will focus on strengthening national and global capacities for the development and implementation of regulations and standards with particular attention to the capacities and participation of developing countries (plant protection, food safety, genetic resources).

D. RESULTS FRAMEWORKS FOR STRATEGIC AND FUNCTIONAL OBJECTIVES

35. Following is the full elaboration of the results framework for each Strategic Objective and Functional Objective, which includes:

- the objective title, being the benefits or changes expected to be achieved in a ten-year timeframe in country institutions, the international community or development partners;
- the statement of issues and challenges, being the problem(s) to be addressed, including significant demographic, environmental and macro-economic factors and trends; it highlights key development intervention needs focusing on opportunities for intervention by FAO, through targeted Organizational Results and Primary Tools;
- assumptions and risks associated with the achievement of the objective, assuming the Organizational Results are achieved. Assumptions are hypotheses about risks that could affect the progress or success of a development intervention;
- checklist of the application of the core functions to the achievement of each of the organizational results;
- organizational results, being the outcome, or effects, that are expected to be achieved over a four-year time horizon from the update and use of FAO's products and services;
- indicators, being the quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor;
- baseline, being the value of the indicator measured at the beginning of the period – in this case the beginning of 2010; and
- targets, being the value of the same indicator at the end of the two-year PWB and four-year MTP, hence reflecting what is expected to be achieved during those periods, based on the level of resources (assessed and voluntary) shown in the PWB.

STRATEGIC OBJECTIVE A – SUSTAINABLE INTENSIFICATION OF CROP PRODUCTION

Issues and Challenges

Increasing crop productivity and quality, based on science-based sustainable practices, is critical to improved resource use efficiency, food security, rural development, and livelihoods. Of the global arable land, about 1.4 billion hectares are used for crop production and 2.5 billion hectares are used for pasture. Together, they provide most of the world's food, feed and fibre. While the world is projected to need twice as much food for 9.2 billion people in 2050 as it did in 2000, it must address the declining availability of land (land *per caput* will decrease from 4.3 hectares in 1961 to 1.5 hectares in 2050), lower crop productivity growth (annual growth rate of major cereals will decrease from 3 to 5 percent in 1980 to about 1 percent in 2050), stresses from climate change (higher intensity and incidence of droughts, floods and pests), and eroded ecosystem services. There is also a demand for increased variety, quality and safety of agricultural products, driven by urbanization and rising incomes.

Especially in light of current global issues such as population growth and climate change, providing an adequate supply of food of requisite quality will depend on more efficient and resilient production systems using good farming practices that make efficient use of the natural resources base, coupled with an enabling policy and institutional framework. Sustainable livelihood, food safety and value-chain approaches need to underpin the increase in productivity and diversification.

To address these challenges, the Strategic Objective promotes crop production intensification using the ecosystem approach, including technical and policy assistance in four key dimensions:

- a) Increasing **agricultural productivity** through improved use of resources to achieve higher yields while promoting the sustainability of the farming systems and progressing from subsistence farming to market-oriented agriculture, supported *inter alia* by conservation agriculture and integrated nutrient management.
- b) Enhancing sustainable **crop protection** through Integrated Pest Management (IPM), and through the implementation at national level of globally agreed instruments such as the International Plant Protection Convention and the Rotterdam Convention to minimise pest problems, misuse of pesticides, and environmental pollution.
- c) Managing **biodiversity and ecosystem services**, through identification and use of mechanisms for valuing agricultural biodiversity and ecosystem services, in addition to sound agronomic practices (crop, soil, nutrient and water efficient management); and
- d) Strengthening **livelihoods** using the benefits of increased productivity and diversification within the value chain, including through providing the conditions for access to good agricultural practices and knowledge, quality seeds, post-harvest and agro-processing technologies, food safety systems, markets and credit.

This framework also includes global and regional instruments, treaties, conventions and codes that embody international cooperation for enhancing and sustainably using natural resources, and reducing risks from, and improving management of transboundary threats to production, environment and human health in an increasingly globalising world.

Crop production intensification relies on an enabling policy and institutional environment, underpinned by capacity building, to be successful. This will require sub-sector analysis of crop agriculture, up-to-date sub-sector information and statistics to underpin the development process, information on the interaction between crops and the environment, on the impact of transboundary pests of crops, on the importance and impact of bioenergy crops, and on ecosystem services.

Assumptions and Risks

- Assumption that demand for food, feed and fibre will continue to grow at the predicted or higher rates, driven by population growth and income, and that member countries are committed to developing policies in favour of sustainable intensification of crop production.
- Assumption that climate change will continue to impact crop production, calling for appropriate adaptation and mitigation strategies, technologies and policies.
- Assumption that countries, in partnership with relevant stakeholders, will invest in the development and adoption of technologies and policies for crop production intensification using the ecosystem approach, leading to expansion of choices and diversity of production systems that farmers can use to improve income and health.
- Assumption that national governments, regional organizations and the international community will put in place the technical, institutional, policy and legal measures necessary for the crop sector to effectively, safely and equitably deliver on set national objectives, that FAO is accorded the means to assist them in this effort, and that member countries will be in a position to implement internationally negotiated standards and agreements.
- Risk that increasingly volatile energy and input markets will disrupt farming and, through the growing price linkages between inputs and energy commodities, reduce profitability in the absence of suitable response options.
- Risk that political and economic events in vulnerable countries may seriously slow down the transfer and uptake of innovations.
- Risk that the costs and availability of water becomes a major constraint to crop intensification.
- Risk that some countries will not have adequate capacity to collect, verify, analyse, disseminate and exchange information and data, utilising international standards, to effectively facilitate decision-making.

Application of Core Functions to Strategic Objective A

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
A1	x	x	x	x	x	x	x	x
A2	x	x	x	x	x	x	x	x
A3	x	x	x	x	x	x	x	x
A4	x	x	x	x	x	x	x	x

Organizational Result A1 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels

Indicator	Baseline	Target (4 years)	Target (2 years)
A1.1 New or enhanced national or regional policies, strategies or programmes on food security, sustainable crop production intensification or diversification, including responses to climate change	To be determined for sustainable crop production intensification and on crop diversification 16 national Food Security programmes 4 regional Food Security programmes	10 countries with policies or strategies on sustainable crop production intensification 33 national Food Security programmes 8 regional Food Security programmes 8 countries with	3 countries with policies/strategies/programmes on sustainable crop production intensification 27 national Food Security programmes 6 regional Food Security programmes 2 countries with policies, strategies or

		policies, strategies or programmes on crop diversification	<i>programmes on crop diversification</i>
A1.2 Intergovernmental fora, including Committee on Agriculture (COAG), International Rice Commission (IRC) and Commission on Sustainable Development (CSD), provide guidance for the sustainable intensification of crop production	COAG, CSD, IRC	COAG, CSD, IRC	<i>COAG, CSD, IRC</i>
A1.3 Number of countries with policies, programmes, strategies or projects to test, document and adopt practices that manage agricultural biodiversity and ecosystem services and preserve biodiversity, including through the application of the concept payments for environmental services in agricultural production landscapes	To be determined	5	2

Primary Tools for achievement of the Organizational Result

1. Technical advice to policy makers that promotes the integration of sustainable crop production in a wider food security and nutrition perspective.
2. Framework for sustainable crop production intensification through the ecosystem approach that includes guiding principles, checklists and case studies for use in developing policies, programmes and projects.
3. Guidance documents and technical assistance on assessing the economic, social and environmental sustainability of crop production intensification.
4. Capacity building, training, information dissemination and awareness creation, through guidelines, manuals and methodologies.
5. Strategies for crop diversification and production, including introduction of new and adapted technologies (e.g. for horticultural crops, urban and peri-urban agriculture, forage, etc.).
6. Improved use of existing information and intergovernmental platforms, fora, networking and knowledge management tools.
7. Baseline measurements and monitoring of rangelands and grassland to enhance food security and promote climate resilient development.
8. Farming systems analysis, guidelines and project support on linking farmers to markets.
9. Nuclear strategies in food and agriculture.
10. Technical advice related to payments of environmental services in selected agricultural landscapes.
11. Production and utilization of timely and reliable information and statistics related to crop production.

Organizational Result A2 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels			
Indicator	Baseline	Target (4 years)	Target (2 years)
A2.1 Adoption by the Commission on Phytosanitary Measures (CPM) of new or revised International Standards for Phytosanitary Measures (ISPMs), supplements, annexes, phytosanitary treatments and diagnostic protocols and appropriate implementation of international standards by developing countries	45 international standards 55 developing countries appropriately implement international standards	57 international standards Standards implemented appropriately in 65 developing countries	<i>51 international standards Standards implemented appropriately in 60 developing countries</i>
A2.2 Percentage of desert locust affected countries and those affected by major non-locus transboundary plant pests receiving forecasts and other information including control strategies	To be determined	100% of locust-affected countries and those affected by major non-locust transboundary plant pests	<i>100% of locust-affected countries and those affected by major non-locust transboundary plant pests</i>
A2.3 Number of national contingency plans developed for specific pest and disease threats other than desert locust, including weeds and woody plants	0	12	2
A2.4 Number of countries applying preventive locust control systems or area-wide integrated application of Sterile Insect Techniques	Number of countries to be determined for locust 12 countries use SITs to control fruitflies and some moths	24 countries for locusts 15 countries using SITs	<i>12 countries for locusts 13 country using SITs</i>

Primary Tools for achievement of the Organizational Result

1. Delivery of agreed Secretariat functions to support implementation of the International Plant Protection Convention (IPPC) and the Regional Commissions for the Control of Desert Locusts.
2. Technical advice and guidance to policy makers that promote the integration of plant protection into sustainable crop production in a wider food security perspective.
3. Framework for sustainable plant protection programmes through the implementation of the IPPC and the use of international standards.
4. Capacity building, information dissemination and awareness creation, through guidelines, manuals and methodologies.
5. Providing, and making better use of, a neutral forum and information exchange, including as a key element of the global phytosanitary system of governance for trade.
6. Baseline measurements of national capacity building needs and the development of an international framework to facilitate the implementation of ISPMs.
7. Collaboration on contingency planning and early warning for transboundary pests and diseases especially through EMPRES and IPPC frameworks.
8. Nuclear strategies to develop tools that allow for the management of plant pests and diseases.
9. Livelihood vulnerability measures through vulnerability data from various sources such as FAO Global Information and Early Warning System on Food and Agriculture (GIEWS), WFP Vulnerability Analysis and Mapping (VAM), USAID Famine Early Warning System (FEWS) and Food Insecurity and Vulnerability Information and Mapping System (FIVIMS) for affected countries.
10. Mechanisms to ensure effective collaboration and risk communication, inter-agency collaboration and coordination among countries and regions on prevention and control of transboundary pests and diseases.
11. Operational instruments, tools and resources in key administrative support areas of finance, procurement and logistics, and human resource management to deliver emergency operations efficiently.
12. Production and utilization of timely and reliable information and statistics related to crop production and pests and diseases.

Organizational Result A3 - Risks from pesticides are sustainably reduced at national, regional and global levels

Indicator	Baseline	Target (4 years)	Target (2 years)
A3.1 Number of countries having adopted measures to improve the life cycle management of pesticides aimed at reducing risks to human health and the environment	10	30	20

A3.2 Countries improving regulatory control of the distribution and use of pesticides in accordance with international codes and conventions	10	30	20
A3.3 Countries establishing or expanding Integrated Pest Management programmes to reduce reliance on pesticides	20	60	40
A3.4 Number of countries that join the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade or take measures for its implementation	28 contracting Parties in 2009. Many contracting Parties that are developing countries have yet to take measures to implement the Rotterdam Convention	140 countries have joined the Rotterdam Convention 20 developing countries have taken measures to implement the Rotterdam Convention	<i>134 countries have joined the Rotterdam Convention</i> <i>10 developing countries have taken measures to implement the Rotterdam Convention</i>

Primary Tools for achievement of the Organizational Result

1. Delivery of agreed Secretariat functions to support implementation of the Rotterdam Convention and the FAO/WHO Joint Meetings on Pesticide Residues in Food (JMPPR), Pesticide Specifications (JMPS) and Pesticide Management (JMPPM).
2. Technical guidelines for the implementation of the Code of Conduct and for dealing with pest and pesticide management under emergency situations.
3. Special initiative developed and operational to reduce the use of highly hazardous pesticides in countries.
4. IPM Programmes established or strengthened to reduce reliance on pesticides.
5. Practical guidance available on monitoring pesticides in the environment and their effect on human health to guide policy and action.
6. Capacity building, training, information dissemination and awareness creation through guidelines, manuals and methodologies.
7. Establishment of an improved pesticide management system and triangulation of pesticides in emergencies.
8. Programmes and projects to assist countries in the quantification, risk reduction, elimination and prevention of obsolete pesticide stocks and acute contamination from pesticides.
9. Strategies, technical advice and policy guidance to countries on integrated approaches to pest and pesticide management in line with the International Code of Conduct on the Distribution and Use of Pesticides, the Rotterdam Convention and other international instruments.
10. Programmes and projects to build capacity at regional, national and farming community level promoting an integrated approach to pest and pesticide management.
11. Regional collaboration and harmonization of approaches, including South-South Cooperation in the implementation of international instruments and standards, as well as better use of existing information, intergovernmental platforms, fora, and knowledge management tools.

12. Production and utilization of timely and reliable information and statistics on pesticides.			
Organizational Result A4 - Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels			
Indicator	Baseline	Target (4 years)	Target (2 years)
A4.1 Number of countries joining the International Treaty on Plant Genetic Resources for Food and Agriculture (IT-PGRFA), or adopted national regulations for its implementation	121 Contracting Parties (2009) Most Contracting Parties do not have national regulations in place for implementation of the IT-PGRFA	130 countries have joined the IT-PGRFA 10 countries adopted national regulations/policies	<i>125 countries have joined the IT-PGRFA</i> <i>5 countries adopted national regulations/policies</i>
A4.2 Number of countries that have developed national PGRFA strategies/policies and national information sharing mechanisms (NISM) to reinforce the links among conservation, plant breeding and seed systems, in conformity with the Global Plan of Action for the Conservation and Sustainable Utilisation of Plant Genetic Resources for Food and Agriculture (GPA-PGRFA)	10 developing countries 55 National Information Sharing Mechanisms (NISM) for monitoring implementation of GPA-PGRFA	5 developing countries 18 countries update NISMs for monitoring GPA implementation	<i>2 developing countries</i> <i>9 countries update NISMs for monitoring GPA implementation</i>
A4.3 Number of countries that have technical capacities and information on conservation, plant breeding, seed systems, biotechnology-biosafety and nuclear techniques, and number of subregions that have harmonised and endorsed seed-related regulatory frameworks	To be determined for countries 1 subregion	10 countries 2 subregions	<i>5 countries</i> <i>1 subregion</i>
A4.4 Number of countries that have programmes at community level for management of PGRFA and seed production on-farm, including through Disaster Risk Management (DRM) tools to respond to environmental risks and challenges	To be determined	10 countries 10 countries apply Disaster Risk Management tools	<i>5 countries</i> <i>5 countries apply Disaster Risk Management tools</i>

Primary Tools for achievement of the Organizational Result

1. Delivery of agreed Secretariat functions to support the implementation of the IT-PGRFA including preparation and delivery of guidance and support to the achievement of the work programme adopted by the governing body.
2. Policy advice and technical assistance to the current and updated GPA-PGRFA through the Working Group on PGRFA of the Commission of Genetic Resources for Food and Agriculture (CGRFA); facilitate implementation and monitoring of the GPA-PGRFA, including as it relates to relevant international instruments.
3. Technical support to the development and implementation of integrated programmes on conservation and sustainable use, including seed systems, at regional and national levels.
4. Generation, management and dissemination of knowledge, data, tools, technologies for national and regional capacity building in conservation, plant breeding, seed systems development and related inter-disciplinary areas.
5. Technical assistance and guidance to communities, smallholders and farmers to sustainably manage crop diversity and seed systems.
6. Strengthen partnerships and alliances with relevant organizations to ensure informed decision-making and implementation of best practices for PGRFA management for sustainable crop production.

STRATEGIC OBJECTIVE B – INCREASED SUSTAINABLE LIVESTOCK PRODUCTION

Issues and Challenges

The livestock sector currently provides 43 percent of global agricultural output in value terms. The anticipated continued expansion of the demand for animal products will require substantial improvements in resource use efficiencies, accelerated development and adoption of appropriate technologies.

The global livestock sector is characterised by a growing dichotomy between (i) livestock kept by large numbers of smallholders and pastoralists, and (ii) intensive large-scale commercial livestock production. While traditional livestock systems contribute to the livelihoods of 70 percent of the world's rural poor, increasing numbers of large-scale operations with sophisticated technology, based on internationally-sourced feed and animal genetics, cater for the rapidly growing markets for meat, milk and eggs, and midsize family farms risk to be squeezed out of expanding formal markets.

Animal disease emergence and spread, including pathogens that spill over from animals to humans (zoonoses), are very closely linked to changes in production environments and to increased interactions among livestock and wildlife.

A serious consequence of the spread of large-scale production and of the pressures on traditional small-scale livestock keeping is the loss of animal genetic diversity. Latest figures show that 20 percent of documented breeds are at risk of extinction.

Livestock occupy one-fourth of the global terrestrial surface as grazing land, and the sector which claims one-third of global crop land for feed grain production, contributes to, but is also affected by grain price trends. As competition for land grows, costs of animal feed, water, energy and labour are increasing, and extensive pasture-based livestock production is being affected by climate change and socio-economic pressures.

The vigorous growth of the livestock sector, its increasing importance for food security and human nutrition and health, and its recent structural changes require careful governance by the international community. Considering the very substantial positive and negative impacts of the sector on social, environmental and public health targets, the preparation and negotiation of a “Code of Conduct for a Responsible Livestock Sector” is suggested under this Strategic Objective.

There are viable opportunities to alleviate many of the risks associated with the expanding livestock sector and to develop its full potential. Increased productivity will enable more efficient use of scarce inputs and natural resources. Advances in animal breeding, nutrition and husbandry, and in the prevention and control of animal diseases will increase productivity and improve animal welfare while reducing the risk of the emergence of zoonotic diseases. This will require generation and adoption of new technologies, as well as institutional development, including improved intersectoral collaboration (e.g. One World - One Health concept) supported by an enabling policy and regulatory environment.

Increased sustainable livestock production is also dependent on up-to-date and reliable information and statistics to underpin the development process and to ensure that it is supported by relevant and appropriate policies.

Assumptions and Risks

- Assumption that the demand for substantially more good quality and safe animal products (which are increasingly processed) will continue to be vigorous. The role of the livestock sector in global food security will thus increase, and innovative public-private partnerships will encourage investments in livestock-related research and extension for development and in national and regional capacity and institution building.

- Assumption that for the foreseeable future, livestock will remain important, and particularly in pastoral areas often the sole livelihood support for large numbers of people.
- Assumption that national governments, (sub)regional organizations and the international community will establish the technical, institutional, policy and legal measures necessary for the livestock sector to effectively, safely and equitably deliver on its objectives and that FAO is accorded the mandate of designing and negotiating such measures.
- Assumption that member countries will have adequate capacity to collect, verify, analyse, disseminate and exchange information and data, utilising international standards, to effectively facilitate decision-making.
- Risk that, in the absence of comprehensive effective oversight, improved inter-sectoral collaboration and careful governance, vigorous livestock sector growth will cause harm to society (e.g. marginalization of smallholders), to public health (e.g. (re)-emerging zoonotic diseases) and to natural resources, environment and climate (e.g. livestock genetic diversity erosion, pollution, greenhouse gas emissions, encroachment on natural habitats).
- Risk that an increasingly volatile grain and energy sector will disrupt livestock farming and, through the growing price linkages between grain and energy commodities, reduce livestock sector profitability in the absence of suitable response options.
- Risk that climate change will threaten grassland-based livestock production systems and thus the livelihoods of a large number of vulnerable households.
- Risk that investments in research for development will fall short of generating the technologies required to respond to the challenges of a rapidly changing sector.

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G - Inter-disciplinary approach	H - Partnerships, alliances
B1	x	x		x	x	x	x	x
B2	x	x	x	x	x	x	x	x
B3	x	x	x	x	x	x	x	x
B4	x	x	x	x	x	x	x	x

Organizational Result B1 – The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development

Indicator	Baseline	Target (4 years)	Target (2 years)
B1.1 Number of countries implementing FAO-advised measures to enhance the efficiency and productivity of their livestock sector	To be determined	50	35
B1.2 Number of national and regional programmes for food security with functioning livestock components	15 national, 4 regional	33 national and 8 regional programmes	20 national and 6 regional programmes

Primary Tools for achievement of the Organizational Result

1. Livestock sector statistics, information and knowledge that inform and influence decision-makers in both the public and private sectors.
2. Livestock sector analysis, policy and strategic advice, and decision support tools that enable the sector to contribute to economic development, poverty alleviation and improved human nutrition and health, including through enhanced access by livestock producers to expanding

and increasingly sophisticated local, regional and international markets. - Legislative advice that supports the livestock sector in ensuring its equitable and effective development. - Guidance (guidelines, manuals, methodologies, technical reviews, issues and option papers) covering animal nutrition, feeds, animal breeding, husbandry, processing/value adding, animal welfare, animal identification, regulation of the livestock sector, good management practices for responsible intensification and increased efficiency of livestock production (spanning crop-livestock / pasture / aquaculture / agroforestry systems). - Livestock components within the national and regional programmes on food security (NPFS/RPFS) with focus on increased productivity, improved incomes and nutritional benefits. - Relief and rehabilitation response to natural disasters and man-made emergencies which have an impact on the livestock sector. - Investment facilitation for livestock sector development, as guided by sub-sector policies and strategies, including through enhanced public-private partnerships for strengthening livestock services and through formal partnerships among important stakeholders. - Capacity building (technical, statistics, policy, legal and institutional) to enhance the livestock sector's contribution to economic development, poverty alleviation and better quality diets.			
Organizational Result B2 - Reduced animal disease and associated human health risks			
Indicator	Baseline	Target (4 years)	Target (2 years)
B2.1 Number of the most significant animal and zoonotic, food- and vector-borne diseases covered by the FAO/OIE/WHO Global Early Warning System (GLEWS) platform on animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)	12	All significant terrestrial and aquatic animal and zoonotic diseases (as identified / updated by GLEWS and derived from criteria set-up in the Terrestrial and Aquatic Animal Health Codes and the International Health Regulations (IHR 2005))	<i>Most terrestrial and aquatic animal and zoonotic diseases (as identified/ updated by GLEWS and derived from criteria set-up in the Terrestrial and Aquatic Animal Health Codes and the International Health Regulations (IHR 2005))</i>
B2.2 Number of developing and transition countries implementing national / regional action, facilitated and supported by FAO for prevention and control of priority animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)	30	100	75
B2.3 Number of developing and transition countries implementing / investing in a regulatory framework for animal health system governance that emphasises disease	20	60	40

prevention and control capabilities and incorporates public-private partnerships and inter-sectoral collaboration requirements (One World - One Health orientated)			
Primary Tools for achievement of the Organizational Result 1. Analysis of national animal health systems, including product inspection and hygiene, for guiding design, negotiation and implementation of comprehensive animal health and veterinary public health (zoonotic / food-borne diseases at the production stage) policy, legislation and investment opportunities. 2. Timely information, surveillance, disease intelligence, forecasting, early warning tracing and detection of animal and zoonotic disease threats through the FAO/OIE/WHO Global Early Warning System (GLEWS) on animal / zoonotic, food- and vector-borne diseases (domestic terrestrial and aquatic animals, wildlife). 3. Methods and tools (guidelines, manuals and strategies), instruments, policies, and decision support for prevention, control and elimination of main animal, zoonotic, food-borne and vector-borne diseases and risk communication at national, regional and international levels, and response to animal health crises (e.g. CMC-FC/ECTAD); mainstream One World – One Health concept (domestic animal, wildlife, human and ecosystem health). 4. Regional and subregional mechanisms for collaboration among countries and sectors on contingency planning, prevention and control of transboundary animal and zoonotic diseases, based on the EMPRES platform and the FAO-OIE GF-TADs Initiative. 5. Public-private partnerships, legal instruments and investment strategies for strengthening animal health systems, including private practitioners/service providers and community animal health workers where indicated. 6. Support of: national and regional capacity building at technical, institutional, policy and regulatory levels on early warning, detection, prevention, preparedness, risk communication, inter-agency collaboration, coordination and control of animal and zoonotic and food-borne diseases at the production stage, partnership arrangements.			
Organizational Result B3 - Better management of natural resources, including animal genetic resources, in livestock production			
Indicator	Baseline	Target (4 years)	Target (2 years)
B3.1 Number of countries implementing actions to mitigate the impact of livestock on environment and climate change	5	15	10
B3.2 International agreements in which FAO's role in animal genetic resources and livestock-environment issues is recognised	None	CBD / UNFCCC post-Kyoto	<i>CBD/UNFCCC recognizing FAO's normative role and responsibility in GRFA / post-Kyoto negotiations on agriculture, including livestock</i>

B3.3 Number of developing and transition countries implementing national strategies and action plans (based on Global Plan of Action) for the improved management and conservation of animal genetic resources	1	20	10
Primary Tools for achievement of the Organizational Result 1. Information and knowledge management on: livestock-environment interactions; impacts of climate change on livestock, wildlife, habitat use; technology, institutional, regulatory and policy options for reducing the environmental impact of the livestock sector (including excessive grazing pressure, waste and greenhouse gas emissions, water pollution, forest conversion, land, ecosystem and biodiversity degradation); national and regional capacity building at technical, institutional and policy levels on the livestock-environment interface, vulnerability, mitigation and adaptation strategies. 2. Policies and strategies for enabling the livestock sector adjustment to changing environmental conditions; programmes for adaptation to, and mitigation of, the impacts of environmental and climate change, including assessment of aquaculture habitat degradation affecting fish² production. 3. Investment in livestock-mediated natural resources stewardship with particular attention to industrial systems and extensive, grassland-based systems, including payment for environmental services and focusing on public-private partnerships. 4. Technical and scientific information for underpinning incorporation of livestock sector considerations in international environmental fora (conventions, treaties and agreements). 5. Guidance (guidelines, manuals, methodologies and good management practices, capacity building for extension and advisory services) for improving natural resource use efficiency in livestock production, including use of integrated land/water management (crop-livestock / pasture / aquaculture / agroforestry). 6. Support to countries in the implementation of the Global Plan of Action on Animal Genetic Resources³ (GPA–AnGR) through: information and knowledge management, development of tools and guidelines on characterization, monitoring and inventory, sustainable use and conservation, maintenance of a Clearing House Mechanism (Domestic Animal Diversity Information System DAD-IS), advocacy and capacity-building; leading the development and implementation of a funding mechanism; and assistance to countries in institutional, policy and legal development. 7. Advice on AnGR-related issues to the Commission on Genetic Resources for Food and Agriculture (CGRFA) including through the Intergovernmental Technical Working Group on Animal Genetic Resources for Food and Agriculture (ITWG-AnGR)			

² insofar as integrated livestock-fish production is concerned

³ terrestrial animal species only (excluding aquatic animals)

Organizational Result B4 - Code of Conduct for a Responsible Livestock Sector			
Indicator	Baseline	Target (4 years)	Target (2 years)
B4.1 Status of negotiation of a Code of Conduct for a Responsible Livestock Sector	No negotiations	COAG report on negotiations (subject to positive COAG decision)	<i>COAG decision whether to negotiate Code of Conduct</i>
Primary Tools for achievement of the Organizational Result 1. Assembling information on suggested COAG-led design and negotiation of livestock sector-relevant framework agreement (e.g. Code of Conduct for a Responsible Livestock Sector), in synergy and harmony with relevant international agreements and instruments; and advised by technical consultation(s). 2. Supporting analysis for a flagship publication ("World Livestock 20xx", first edition in 2011) to enable continuous information / guidance of Livestock Sector. 3. Developing and maintaining comprehensive livestock sector information platform.			

STRATEGIC OBJECTIVE C - SUSTAINABLE MANAGEMENT AND USE OF FISHERIES AND AQUACULTURE RESOURCES

Issues and Challenges

The fisheries and aquaculture sector plays an important role in human nutrition, the fight against hunger and poverty and more generally in economic development. The demand for fish and fish products will continue to grow. Effective management and conservation of fisheries and aquaculture resources, and ensuring the conservation of aquatic biodiversity and the health and productivity of ecosystems supporting fishery resources and fish production, is called for by the Code of Conduct for Responsible Fisheries (CCRF).

The state of world capture fisheries is far from optimal as reported in the *State of World of Fisheries and Aquaculture* (SOFIA) released in March 2009. Moreover, the problems of fleet overcapacity and illegal, unreported and unregulated (IUU) fishing challenge the international community as it seeks lasting solutions. Inland resources and ecosystems are particularly prone to adverse impacts from a variety of human activities.

There is limited potential for growth of global catches of wild fish stocks and it is expected that aquaculture will contribute to fill the gap in the increasing demand for fish and fish products. Aquaculture currently provides about half of the fish used for human consumption. Sustainable development of the sector faces two challenges: the urgent need for appropriate technologies and avenues to increase aquaculture production in many developing countries; and the broad demand for improving resource use efficiency and management and protection of the environment.

An important issue is the co-existence, in relation to both capture fisheries and aquaculture, of a large-scale, industrial sub-sector and a small-scale sub-sector. The latter employs more than 90 percent of all people who work in fisheries and aquaculture, communities for which artisanal fishing or small-scale aquaculture represents a major contribution to food security and livelihoods. Integrated policies and improved management tools are necessary to address the specific needs of both sub-sectors.

There will continue to be a considerable need for the promotion of good governance, practices and regulatory action in relation to fisheries and aquaculture at global, regional and national levels, particularly those based on the principles and standards contained in the CCRF and related instruments. Relevant institutions must be strengthened to achieve good fisheries governance.

A multi-pronged approach is required to enable FAO Members and regional fishery bodies (RFBs) to take the action necessary to facilitate enhanced responsibility and meeting international obligations, especially when implementing international instruments that seek to improve fisheries governance. In addition, they will need well-trained staff and adequate financial resources. Assistance and capacity building in these fields are essential.

There are major challenges facing the improvement of information and data on the status and trends of fisheries and aquaculture for use as a sound basis for policy-making, management and sectoral planning. In particular, artisanal fishing and small-scale aquaculture are often under-represented, or sometimes even totally neglected in official statistics. Inland fisheries as a whole are also a serious problem in this regard. The Committee on Fisheries (COFI) has adopted complementary Strategies for capture fisheries and for aquaculture to address these challenges. Active implementation of the Strategies is now needed at global, regional and national levels. This will require a major focus on capacity building and partnership with emphasis on the integration of information and data utilizing common standards.

Other challenges are emerging: the impact of climate change, including the increasing frequency of natural disasters; rising fish prices, fuel dependency and consumption and production inputs costs; the emergence of animal diseases in aquaculture; the increasing influence of retail sector and use of market instruments and certification to promote sustainability and responsible trade; the general deterioration of aquatic ecosystems, both in the marine environment and in inland waters; the need for increased attention to be paid to environmental threats and concerns; and the need for adequate responses to emergencies.

- Assumption that all States give high priority to the implementation of the Code of Conduct for Responsible Fisheries (CCRF).
- Assumption that countries have the will and capacity to improve governance and management in the fisheries and aquaculture sectors through strengthened regulatory and institutional frameworks at the national, regional and global levels.
- Assumption that there is adequate capacity in national fisheries and aquaculture administrations and regional fishery bodies (RFBs) for effective management, including an appropriate representation of the interests of the fisheries and aquaculture sector in national and regional planning.
- Assumption that trade in fish and fish products will generate benefits (income and employment) from the point of capture/production to the final consumer.
- Assumption that adequate capacity to collect, verify, analyse, disseminate and exchange information and data, utilizing international standards is available and used for decision-making by countries individually or collectively through regional and global mechanisms.
- Risk that overfishing, overcapacity and IUU fishing will persist, and even worsen, if the necessary regulatory and institutional measures are not maintained or not adopted and implemented.
- Risk of widespread difficulties to attract and retain qualified staff in fisheries and aquaculture administrations, particularly in developing countries.
- Risk that aquaculture sector growth may be hampered by e.g. the environmental impact of aquaculture development; conflicts between resource users; prevalence of diseases; and the increased dependence on wild fish for use as seed and feed.
- Risk that a lack of adequate capacity and non-adherence to standards could lead to inadequate information and jeopardise effective decision-making.

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
C1	X	X	X	X	X	X	X	X
C2			X	X	X			
C3	X	X	X	X	X	X	X	X
C4	X	X	X	X	X	X	X	X
C5		X	X	X	X	X	X	X
C6		X	X	X	X	X		X

Organizational Result C1 - Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues

Indicator	Baseline	Target (4 years)	Target (2 years)
C1.1 Number of countries and RFBs that have developed at least one component of an appropriate policy and regulatory framework for the implementation of the CCRF and related instruments, including the formulation, adoption or implementation of policies, plans of action, laws and regulations and bilateral and regional agreements with specific attention to small-scale fisheries, overcapacity and IUU fishing	To be determined	10 countries 6 RFBs	<i>5 countries</i> <i>3 RFBs</i>
C1.2 Number of international fisheries instruments (including international guidelines and legally binding instruments) that have been adopted under the auspices of FAO	To be determined	3 instruments	<i>3 Chair's drafts</i>
C1.3 Number of countries and RFBs whose statistical collection and reporting systems ensure annual reporting at a species level	To be determined	10 countries 6 RFBs	<i>5 countries</i> <i>3 RFBs</i>

Primary Tools for achievement of the Organizational Result

1. Regular reporting on the status of implementation of the CCRF and related instruments.
2. Advice on establishing and integrating policy and legal frameworks, balancing development objectives with conservation needs and giving special attention to small-scale fisheries and aquaculture.
3. Providing platforms, such as COFI, for international debate, and strengthening their contribution to, and participation in, other international fora [such as the United Nations General Assembly (UNGA), Organization for Economic Cooperation and Development (OECD), World Trade Organization (WTO), Asia-Pacific Economic Cooperation (APEC), Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Commission on Biological Diversity (CBD), Convention on Migratory Species (CMS), United Nations Environment Programme (UNEP), International Maritime Organization (IMO) and International Labour Organization (ILO)].
4. Developing new instruments, such as agreements, plans of action, technical and international guidelines.
5. Advocacy and communication, in particular about the economic, social and environmental benefits and the sector's enhanced contribution to the UN MDGs of implementing the CCRF and related international instruments.
6. Capacity building in statistics and the development of legal and policy frameworks, international negotiation, and economic and social aspects of fisheries.

7. Production and utilization of timely and reliable information and statistics and citations and other analyses as a basis for policy development.
8. Strengthened collaboration with relevant intergovernmental, governmental and non-governmental partners including organizations of fishworkers, fishfarmers and fishing/aquaculture industry.

Organizational Result C2 - Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs

Indicator	Baseline	Target (4 years)	Target (2 years)
C2.1 Number of countries that have strengthened their institutions and institutional arrangements or created new ones, where needed, resulting in significant impact on the governance of the sector	To be determined	10 countries	5 countries
C2.2 Number of RFBs that have conducted assessments of their performance and have taken steps to improve it	To be determined	6 RFBs	3 RFBs
C2.3 Number of new RFBs/Aquaculture networks (AqN) established in response to gaps identified in the governance of shared resources	To be determined	Establishment of 2 RFBs/AqNs	Draft statutes or agreements of 2 RFBs/AqNs

Primary Tools for achievement of the Organizational Result

1. Advice and assistance (through legal, policy and information support) to strengthen existing institutions.
2. Capacity building on governance and management of institutions.
3. Regular analysis and reporting on experiences with institutional assessments and reform.
4. Legal, policy and technical advice to establish new RFBs.
5. Field support to, and case studies on, institutional reform.
6. Working with other UN agencies and relevant IGOs and NGOs to ensure maximum efficiency in promoting institutional reform for improved governance.
7. Support to RFBs, AqN and relevant international institutions in addressing cross-cutting issues such as small-scale fisheries and small-scale aquaculture.

Organizational Result C3 - More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use

Indicator	Baseline	Target (4 years)	Target (2 years)
C3.1 Number of marine and inland stocks or populations that have been assessed using the best scientific evidence available and also taking into account traditional and local knowledge, as appropriate	To be determined	10	5

C3.2 Global mean level of overexploited, depleted and recovering national and international stocks or populations	28%	25%	28%
C3.3 Number of countries and RFBs that have formally adopted fisheries management plans or equivalent frameworks for their marine and inland capture fisheries and water ecosystems, which are consistent with the Code of Conduct and ecosystem approach to fisheries (EAF) and take into account the specific needs and contributions of small-scale fisheries	To be determined	10 countries 6 RFBs	<i>4 countries</i> <i>2 RFBs</i>

Primary Tools for achievement of the Organizational Result

1. Development and dissemination, in cooperation with other appropriate partners, of technical guidelines, toolboxes and other information material on fisheries management in the framework of EAF and relevant aspects of the Code of Conduct. Particular emphasis will be placed on material for management of small-scale fisheries.
2. Regular reporting on, and assessment of, the state of fish stocks and ecosystems.
3. Technical advice and capacity building in all areas of fisheries assessment and management in the framework of EAF, taking special account of the needs of small-scale fisheries and livelihood requirements, at national, regional and global levels.
4. Partnerships with other UN agencies and relevant IGOs and NGOs. Facilitating and promoting international cooperation in fisheries management through workshops, consultations, creation of networks and other means, including with other sectors where necessary.

Organizational Result C4 - Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture

Indicator	Baseline	Target (4 years)	Target (2 years)
C4.1 Percentage increase in the global aquaculture output and output related to rural development and livelihoods	To be determined	10% increase (global output) 5% increase (output related to rural development)	<i>5% increase (global output)</i> <i>2% increase (output related to rural development)</i>
C4.2 Percentage decrease in the global use of fishmeal	To be determined	10% decrease	<i>5% decrease</i>
C4.3 Percentage increase in the global consumption of farmed fish products coming from sustainable aquaculture practices	To be determined	10% increase	<i>5% increase</i>

Primary Tools for achievement of the Organizational Result

1. Promotion of the ecosystem approach to aquaculture (EAA) including biosecurity frameworks, risk assessments, integrated aquaculture, Integrated Coastal Zone Management (ICZM), etc.
2. Capacity building through training programmes, regional workshops to facilitate adoption and implementation of FAO guidelines, focusing on rural sectors, small farmers and women.
3. Support and promotion of small farmers' clusters and associations emphasizing the involvement of women and minorities.

4. Promotion of global, regional and thematic reviews and assessments of the aquaculture sector.
5. Promotion and support to aquaculture partnerships and aquaculture networks in applied research and development, technology transfer, and capacity building.
6. Development of information tools and systems to disseminate, collect, manage and utilize relevant data.
7. Improved communication and coordination between regional offices and FAO, as well as between FAO and other regional organisations.
8. Effective work of the Sub-Committee on Aquaculture.

Organizational Result C5 - Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels

Indicator	Baseline	Target (4 years)	Target (2 years)
C5.1 Number of countries where fisheries are harvested using environmentally-friendly, safe, technically and economically efficient fishing vessels, fishing gear and fishing practices	To be determined	10 countries	5 countries
C5.2 Number of countries and RFBs having established an operational vessel monitoring system (VMS) to their enhanced capacity for monitoring, control and surveillance (MCS)	To be determined	10 countries 6 RFBs	5 countries 3 RFBs

Primary Tools for achievement of the Organizational Result

1. Development and application of knowledge products and best practices on safer, more technically and socio-economically efficient fishing operations, including inventory of technologies and best practices related to C5-1 and C5-2 above.
2. Development and application of knowledge products and best practices to minimize adverse impacts of fishing on the environment, including global updates of bycatch and discards, low-energy capture technologies and development of environmentally-friendly fishing technologies.
3. Provision of technical advice and support on all matters related to responsible fishing operations, including facilitation of workshops, technical consultations, commissioning of studies and reviews.
4. Provision of technical advice and support in the development of appropriate small-scale fishing technologies.
5. Provision of technical advice and support on harbour management, waste reduction, microfinance and processes for enhanced stakeholder participation in fishing and aquaculture operations.
6. Support to Member States and RFBs in capacity building and promoting activities that strengthen and expand their capacity for integrated monitoring, control and surveillance (MCS) systems of fishing operations.

Organizational Result C6 - Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements			
Indicator	Baseline	Target (4 years)	Target (2 years)
C6.1 Number of countries that have adopted good practices for fish utilization, marketing and trade, both at the government and industry levels	To be determined	10 countries	5 countries
C6.2 Number of developing countries whose income from national, regional and international fish trade has increased by a minimum of 5%	To be determined	10 countries	5 countries
C6.3 Number of countries that have harmonized their fish trade laws, regulations and practices, including those applicable to seafood safety, with internationally agreed requirements and standards.	To be determined	10 countries	5 countries
Primary Tools for achievement of the Organizational Result 1. Provision of support and advice to national, regional and international organizations, including private sector, to improve practices for post-harvest utilization and marketing of fish. 2. Regular assessment and reporting, in particular through the COFI Sub-Committee on Fish Trade, on developments, trends and issues of fish utilization, trade and market access requirements. 3. Provision of technical advice and capacity building in all areas of fish utilization, marketing and trade at national, regional and global levels through: responses to <i>ad hoc</i> requests for technical support, TCP projects, continued technical support to, and back-stopping of, the Fish Infoservices, short- and long-term comprehensive projects funded by extra-budgetary funds. 4. Development of strategic partnerships with relevant UN agencies, IGOs and NGOs to promote the development and implementation of instruments and practices, including market instruments, for responsible and sustainable fish utilization, marketing and trade. 5. Support to national and regional extension, research and professional institutions and regional networks to promote responsible fish utilization, marketing and trade.			

**STRATEGIC OBJECTIVE D -
IMPROVED SAFETY AND QUALITY OF FOOD AT ALL STAGES
OF THE FOOD CHAIN**

Issues and Challenges

Inadequate controls of food safety and quality along the food chain continue to plague both developed and developing countries. Reports of food safety management failures demonstrate the difficulties faced by countries in achieving effective and integrated controls throughout the pre-production to consumption continuum, even in developed countries with mature food safety and quality systems supported by considerable technical and scientific capacities. The consequences of these failures include food-borne illness and concomitant negative economic effects on farmers, food businesses and consumers. The challenges are magnified in many developing countries where: there are fragmented food control systems, inadequate or inconsistent legal frameworks, weak institutions, lack of adequate consumer protection policies, poor infrastructure and shortages of trained human resources; poverty reduction and socio-economic development are highly dependent on countries' capacities to comply with market requirements for safety and quality; and food-borne diseases remain a major cause of death and illness, particularly among children.

In many developing countries, food safety/quality strategies and action plans also fail due to inadequate and inconsistent budgetary and other support. Improving food safety and quality management at national level at all stages of the food chain requires strategic inter-sectoral planning and investment. There is a need to raise awareness among high-level policy-makers of the need for food safety policies and strategies to be developed and considered in the context of broader national food security, agricultural development and public health goals.

The Codex Alimentarius Commission develops science-based food safety standards that most individual countries, in particular developing countries, do not have the capacity or resources to develop on their own. The Commission also develops internationally-agreed food quality standards. Both developing and developed countries look to the Codex standards for international guidance to protect consumers' health, while ensuring fair practices in food trade. Given the implications of WTO's SPS and TBT Agreements on international food trade, there are increasing expectations attached to the Codex standard-setting process and to scientific advice to support that process. Developing countries must build capacity to participate effectively in the work of the Codex Alimentarius Commission and its related bodies, so as to ensure the validity and relevance of Codex standards in the international context.

The mere existence of standards is insufficient to provide assurance of public health protection or compliance with specific market requirements. This requires capacity to apply the standards through a national system of food safety/quality management and control, where both public and private sector actors are assigned clearly-defined roles and responsibilities and possess the knowledge, skills and facilities necessary to perform their functions effectively and efficiently.

Climate-related effects, altered population demographics, life-style changes, evolving food production systems, shifting market dynamics and increasing application of private standards are all expected to challenge governments to identify emerging hazards, to recognise changing food safety and quality priorities, and to adapt programmes of food safety/quality management accordingly.

Assumptions and Risks

- Assumption that private food safety and quality standards will not undermine harmonization of official standards with Codex Alimentarius.
- Assumption that improved coordination among increasing numbers of international agencies involved in food standards-setting and food safety capacity building will avert fragmented delivery and reduced efficiency and effectiveness of technical assistance.
- Assumption that long-term planning for food safety and quality management is not undermined by the need to respond to food chain emergencies, but that governments recognize improved collection and sharing of food safety information and strategic development of food control systems as pre-requisites for achieving early detection and prevention of food chain emergencies.
- Risk that political instability and problems of food security may undermine the ability of governments to consistently support food safety and quality programmes.
- Risk that protectionist policies at regional/subregional and/or at national levels undermine multilateral agreements on food safety and quality regulation.
- Risk that separate systems and levels of control for domestic markets and export could give rise to greater and uncontrolled food safety risks for the most vulnerable.
- Risk that investments in food safety research and human resource development will be inadequate to effectively address emerging challenges such as climate change-related effects on food safety and other emerging food safety hazards, evolving production systems, increasing application of private sector standards, etc.

Application of Core Functions to Strategic Objective D

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
D1		X	X		X	X	X	X
D2	X	X		X	X	X	X	X
D3	X	X			X	X	X	X
D4	X	X			X	X	X	X

Organizational Result D1 - New and revised internationally-agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization

Indicator	Baseline	Target (4 years)	Target (2 years)
D1.1 Number of national contact points that exchange information at least monthly with Codex Secretariat and with other Member States through the “MyCodex” Web page	To be determined	80	20
D1.2 Percentage of countries reporting their use of Codex standards at Codex Regional Coordinating Committee meetings and on regional Codex Web sites	To be determined	20% in each of 6 regions	20% in each of 3 regions
D1.3 Percentage of FAO/WHO Expert Body outputs (food safety,	To be determined	80%	80%

quality and nutrient requirements) incorporated or utilized by relevant Codex Committees in the development of relevant of internationally-agreed standards and recommendations			
Primary Tools for achievement of the Organizational Result 1. Contribution of the Codex Secretariat to support the FAO/WHO Codex Alimentarius Commission. 2. Provision of legal advice to the Codex Alimentarius Commission and to related expert bodies. 3. Advocacy to raise awareness of national decision-makers of the importance of Codex and for the use of Codex texts at national and regional levels and facilitation of regional collaboration on food standardisation. 4. Support for the development of institutional and individual capacities that enhance effective country-level participation in Codex and use of Codex standards. 5. Advocacy for, and management (jointly with WHO) of, the FAO/WHO Codex Trust Fund to support participation of developing countries to regular Codex Sessions. 6. Provision of scientific advice on food safety and quality, including food composition and nutrient requirements, through the implementation of the Joint FAO/WHO Expert Committee on Food Additives (JECFA), Joint FAO/WHO Meeting on Pesticide Residues (JMPR), Joint FAO/WHO Expert Meetings on Microbiological Risk Assessment (JEMRA), Joint FAO/WHO Expert Committee on Nutrition (JECN) and <i>ad hoc</i> expert meetings and the operation of International Network of Food Data Systems (INFOODS).			
Organizational Result D2 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach			
Indicator	Baseline	Target (4 years)	Target (2 years)
D2.1 Number of countries that have developed or adopted national food safety/quality policies on the basis of sound assessments and through participative processes	To be determined	12	8
D2.2 Number of countries that have assessed their food safety/quality legislative frameworks, to identify legislative drafting priorities and to develop/adopt required legislation	To be determined	15	8
D2.3 Number of countries whose institutional frameworks for coordinated food control along the food chain incorporate FAO best practices	To be determined	15	8

Primary Tools

1. Support for the review, assessment and strengthening of institutional and legislative frameworks for food safety/quality management and control, including consideration of integrated biosecurity systems.
2. Support the development of institutional and individual capacities for identifying emerging issues of food safety, food composition and food biodiversity and for developing scientific advice to support policy decisions. Food production and trade statistics and analysis of market trends, assessment of cost of compliance and economic and social impacts of non-compliance.
3. Facilitate good practices in food safety/quality investment and on enhancing public-private partnerships.

Organizational Result D3 - National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms

Indicator	Baseline	Target (4 years)	Target (2 years)
D3.1 Number of countries that have developed risk-based food safety programmes which apply FAO best practices	To be determined	8	4
D3.2 Number of countries which provide efficient and uniform food inspection and certification services meeting international recommendations	To be determined	12	6
D3.3 Number of countries that have expanded their food analysis capacities in terms of a wider lists of analytical tests available or upgrading the quality of test results	To be determined	10	5

D3.4 Number of countries which have adopted a national food safety emergency response plan as an integrated component of the national disaster and emergency response plan with an action plan for developing the capacities necessary for its effective implementation	3	8	5
D3.5 Number of countries that have developed national strategies and implementation action plans for building public awareness and education on food safety and quality, including health and nutritional benefits of local/traditional foods	Initial assessment of public awareness knowledge of key issues identified in the strategy document	12	8

Primary Tools for achievement of the Organizational Result

1. Guidance on good practices for establishing an enabling environment for broad stakeholder participation in food safety/quality programme design and in standard-setting at national level and for collaboration at regional and subregional levels on food safety and food quality issues.
2. Support the application of the food safety risk analysis framework to food safety decision-making at national level (risk assessment, risk management and risk communication), including the development of national food standards.
3. Facilitating access to information on international food safety standards, risk (-benefit) assessment and scientific advice, food composition and other related issues (e.g. the Web-based portal International Portal on Food Safety, Animal and Plant Health (IPFSAPH), Joint FAO/WHO Expert Committee on Food Additives (JECFA) and microbiological risk assessment (MRA) publication series, Journal of Food Composition etc.).
4. Support for building capacities and improving efficiency of food laboratory, food inspection and certification services.
5. Guidance and technical assistance on nutrient reference values, food labelling, nutrient requirements and health claims.
6. Support the development of institutional and individual capacities on specific food control issues such as contaminant monitoring programmes, sampling programmes, traceability/product tracing and facilitate a supportive policy environment for implementation of effective programmes.
7. Provision of timely information, food safety intelligence, forecasting, early warning and guidance and assistance on national-level preparedness and to food safety emergencies through the Emergency Prevention System for Transboundary Animal and Plant Pests and Diseases (EMPRES-Food Safety), International Food Safety Authorities Network (INFOSAN) and Crisis Management Centre along the Food Chain (CMC-FC).
8. Partnerships with academic and research institutions as reference centres, and to enhance and expand training and capacity building.

Organizational Result D4 - Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements			
Indicator	Baseline	Target (4 years)	Target (2 years)
D4.1 Number of countries that have developed holistic and integrated strategies and action plans for promoting compliance with good agricultural, manufacturing and hygiene practices based on sound assessments of key sub-sectors	To be determined	12	8
D4.2 Number of countries that comprehensively incorporate food safety/hygiene considerations into programmes of good practice in primary production	To be determined	15	10
D4.3 Number of countries with programmes of technical assistance to food business in food safety/quality management that incorporate FAO best practices in food safety	To be determined	15	8
D4.4 Number of countries with programmes to strengthen the capacity of farmers and businesses to comply with voluntary food quality and production standards and schemes	To be determined	8	4

Primary Tools for achievement of the Organizational Result

1. Support development of national strategies for achieving food quality and safety goals.
2. Support institutional and individual capacities to develop and implement programmes for improving food safety and quality management for small and lesser-developed businesses, including the street food sector.
3. Provision of guidelines on good practices at primary production in the animal, plant and fisheries sectors.
4. Guidance on good practice in assessing feasibility of voluntary standards and schemes and support for developing institutional and individual capacities to implement such standards and schemes for specific quality products.
5. Support for the development of national capacities to promote product and process innovation.
6. Support for national actors and institutions to develop programmes of consumer awareness/education in food safety, biodiversity and its impact on nutrition and other food quality issues.
7. Decision-support tools to inform investment planning in food safety/quality infrastructure.
8. Market studies and identification of emerging market trends, including analyses of the impact of private and voluntary standards on market access.

STRATEGIC OBJECTIVE E - SUSTAINABLE MANAGEMENT OF FORESTS AND TREES

Issues and Challenges

The forest sector continues to be affected by the rapid pace of global changes. Forestry has become more people-centered, and society's demands on forests have undergone significant changes with increasing emphasis on environmental, social and cultural values. Interactions between the forest sector and other sectors are increasingly understood to be the source of both problems and opportunities. In addition, the critical roles that forests and trees outside forests play in mitigation of, and adaptation to, climate change, as well as a source of bioenergy, are increasingly recognized, requiring careful consideration in national and international decision-making.

The significant contributions of forests and trees to sustainable livelihoods and eradication of hunger and poverty is increasingly appreciated. There is greater recognition of the linkages of forestry with agriculture, energy and water. However, progress towards sustainable forest management remains uneven and the potential for cross-sector synergies, integrated management and landscape approaches is often under-utilized. The continuing loss of forests and forest degradation in many developing countries, especially in tropical regions, is a major issue.

Rural livelihoods often depend on productive forests that support employment and income, thus reducing poverty. In many economically-developed countries, environmental conservation and forest-based recreation are the dominant concerns of society. In all regions, the demand for ecosystem services from forests is increasing. A strategic approach is needed to ensure the health and productivity of forests, so as to optimize their capacity to help to mitigate climate change, conserve biodiversity, safeguard wildlife habitat and protect land and watersheds.

The challenge for FAO is to assist more countries to improve the management of their forests. As the quantity of, and access to, information about forests and forestry continue to expand, the need to share and manage knowledge more effectively is becoming more urgent. Countries expect that FAO reach outside the traditional forest sector, engage in partnerships with new stakeholders, and serve as a global leader.

Assumptions and Risks

- Assumption of relatively consistent economic progress and increased investments in forestry.
- Assumption of widespread recognition of the importance of sustainable forest management (SFM) and support for FAO's role in helping to promote SFM, both at national and international levels.
- Assumption that sufficient resources are available to enhance capacities of countries to help them overcome obstacles to sustainable forest management through policy and legal advice, capacity development and technical assistance.
- Risk of pressure to utilize forest resources unsustainably because of continued population growth and rural poverty.
- Risk of overwhelming economic pressures to convert forests to agriculture, urban or other land uses.
- Risk that countries are unable to combine political will, effective governance at all levels, and overall economic progress to achieve SFM.

Application of Core Functions to Strategic Objective E								
Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
E1	X	X			X	X	X	X
E2			X			X	X	X
E3			X	X	X	X	X	X
E4			X		X	X	X	X
E5	X	X		X				
E6			X	X	X	X	X	X
Organizational Result E1 - Policy and practice affecting forests and forestry are based on timely and reliable information								
Indicator			Baseline		Targets (4 years)		Targets (2 years)	
E1.1 Number of countries that complete a comprehensive improved national forest monitoring and assessment (NFMA) meeting FAO standards			7		18		10	
E1.2 Number of countries that submit complete reports for the global Forest Resources Assessment (FRA) 2010			130		150		150	
Primary Tools for achievement of the Organizational Result								
1. Serve as an authoritative global source of information on forests.								
2. Prepare and disseminate the results of periodic Global Forest Resources Assessments and reports on the State of the World's Forests.								
3. Support to national and regional forest monitoring and assessment, including interactions with other sectors through integrated land use assessments.								
4. Effectively share knowledge and information through timely, high-quality use of the Internet, networks, publications and other media.								
Organizational Result E2 - Policy and practice affecting forests and forestry are reinforced by international cooperation and debate								
Indicator			Baseline		Targets (4 years)		Targets (2 years)	
E2.1 Number of countries that are represented at regional forestry commissions and COFO by senior forestry officials, and who find the meeting to be relevant and useful based on structured post-meeting surveys			80 (COFO) To be determined for regional forestry commissions		100 (COFO) To be determined for regional forestry commissions		90 (COFO) To be determined for regional forestry commissions	
E2.2 Number of formal initiatives under Collaborative Partnership on Forests (CPF) undertaken by two or more CPF organizations			2		4		3	

Primary Tools for achievement of the Organizational Result

1. Provide a dynamic forum for governments and other stakeholders to address policy and emerging issues, including Ministerial Meetings, the Committee on Forestry, the World Forestry Congress, Regional Forestry Commissions, technical panels and commissions, expert consultations, and global and regional networks.
2. Strengthen linkages between national, regional and global processes, including through an expansion of the role of Regional Forestry Commissions.
3. Provide leadership for the Collaborative Partnership on Forests (CPF), including developing joint programmes or actions, and through other partnerships, hosting the Mountain Partnership and through active partnerships with the private sector and non-governmental organizations.

Organizational Result E3 - Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses

Indicator	Baseline	Targets (4 years)	Targets (2 years)
E3.1 Number of partner countries where the National Forest Programme Facility makes a positive impact as assessed by the Facility impact assessment tool	30	50	40
E3.2 Number of countries that have updated their forest policies or laws following best participatory practices	20	35	27

Primary Tools for achievement of the Organizational Result

1. Support to effective national forest programmes, including capacity building and knowledge exchange.
2. Host and support the National Forest Programme Facility.
3. Support for integrated (cross-sectoral) policy analysis and planning to better understand the implications of policies of other sectors on forests and vice versa.
4. Support participatory development of forest policy and law, institutional reform and efforts to improve governance at all levels.
5. Sector studies, including regional forestry outlook studies, and comparative analyses of forest institutions.

Organizational Result E4 - Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation

Indicator	Baseline	Targets (4 years)	Targets (2 years)
E4.1 Number of countries following FAO good practices for planted forests or forest harvesting	To be determined	20	10

E4.2 Number of countries using community-based approaches to fire management in at least 100 communities	To be determined	10	5
E4.3 Increased number of recipient countries participating in comprehensive programmes intended to reduce deforestation and forest degradation (REDD)	5	12	8
Primary Tools for achievement of the Organizational Result 1. Development and use of guidelines for good forest practices through effective stakeholder consultative processes. 2. Support development and implementation of strategies for conservation and sustainable use of forest genetic resources at global, regional and local levels. 3. Support improved forest fire management, including through community-based approaches. 4. Support the development and implementation of national and international financial mechanisms to support sustainable forest management. 5. Increased use of financial mechanisms to facilitate information sharing and database development, and to build capacity to strengthen forest management and to reduce deforestation and forest degradation (e.g. REDD).			
Organizational Result E5 - Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option			
Indicators	Baseline	Targets (4 years)	Targets (2 years)
E5.1 Increase in developing countries' share of global forest products' export (FAOSTAT All Forest Products)	24%	26%	25%
Primary Tools for achievement of the Organizational Result 1. Analysis and knowledge of social and economic factors resulting in increased innovation and investment. 2. Analysis of production, consumption and trade of forest products. 3. Technical assistance and guidelines for community-based forest management, forest-based enterprises that improve livelihoods and reduce poverty. 4. Information and assistance on accessing carbon markets provided to forestry practitioners.			
Organizational Result E6 - Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented			
Indicator	Baseline	Targets (4 years)	Targets (2 years)
E6.1 Number of countries that have integrated guidelines on conservation and sustainable use of forest biodiversity at genetic,	0	10	5

species and ecosystem levels in the management of forests and protected areas			
E6.2 Number of countries that provide reports on the State of the World's Forest Genetic Resources (to be completed by 2013)	0	150	80
E6.3 Number of countries that have adopted FAO guidelines for integrating climate change strategies into national forest policies	0	20	10
Primary Tools for achievement of the Organizational Result 1. Provide technical, policy, and legal assistance in support of landscape and ecosystem approaches and the development of payment for environmental services schemes, with an emphasis on mountain ecosystems, arid zones and rangelands, coastal forests and other fragile ecosystems. 2. Development and use of guidelines for adapting forest policies, institutions, practices and governance arrangements to improve climate change mitigation and adaptation. 3. Support national and regional initiatives to conserve biological diversity including wildlife resources in protected areas and production forests. 4. Provide policy and technical assistance to improve the management of watersheds, to rehabilitate degraded forest lands and combat desertification.			

**STRATEGIC OBJECTIVE F -
SUSTAINABLE MANAGEMENT OF LAND, WATER AND GENETIC
RESOURCES AND IMPROVED RESPONSES TO GLOBAL
ENVIRONMENTAL CHALLENGES AFFECTING FOOD AND
AGRICULTURE**

Issues and Challenges

Natural resources (land, water, climate and genetic resources) and their services are essential to food production, rural development and sustainable livelihoods. Conflicts and competition over access to, and the use of these resources will increase in many regions, due to rising demands for food, water, fibre and energy. Increased intensity of natural resource use will result in the loss of biodiversity and the degradation of productive land and water resources. This will be exacerbated by the anticipated impacts of climate change on agricultural production, growing conditions, water availability, occurrences of extreme weather events and others, as well as by volatility in global markets. Hence, the sustainable management of natural resources for the benefit of present and future generations requires distinct technical disciplines to address key aspects of natural resources and their governance in the context of rural development, as well as multi-disciplinary and multi-sectoral approaches so that competition for natural resources can be reduced. This includes support of the development and use of international instruments. A central challenge is to ensure that the capacities to manage and regulate natural resource use are supported at all levels. These capacities will need to respond effectively to rapid socio-economic transitions and emergencies. They will need to be underpinned by key data (including geospatial), knowledge and approaches, available at the national, regional and global levels.

Many opportunities exist to limit the adverse impacts of climate change through improved knowledge and management of natural resources in agriculture, forestry and fisheries policies and practices. Adaptation and mitigation strategies will involve reduction of anthropogenic emissions and the enhancement of carbon sequestration. Financing mechanisms [e.g. clean development mechanism (CDM), Global Environment Facility (GEF), Payments for Environmental Services (PES) and others] support means to mitigate and adapt to climate change that apply across sectors and that require multidisciplinary approaches. However, complex procedures and restrictive eligibility criteria have tended to hamper funding of activities relevant to agriculture, forestry and fisheries. There is increasing international recognition that bioenergy development and other new investments (including international investments in land) both offer opportunities and challenges for sustainable agricultural and rural development. International and national data and information and consultative processes leading towards sustainable bioenergy strategies and policies are needed.

Assumptions and Risks

- Assumption that the current international interest in, and commitment to, sustainable natural resources management, reflecting its critical importance for food security and poverty reduction, will continue and be converted into policy decisions and budget allocations to promote the adoption of appropriate management approaches and practices.
- Assumption that, at the national level, countries will be able to set achievable goals and formulate relevant policies, programmes and practices for the sustainable management of their natural resources, including, for example, for access to genetic resources and the sharing of benefits derived from their use, access to, and tenure of land, and for adaptation to, and mitigation of, climate change.
- Assumption that FAO can contribute effectively to the formulation of relevant instruments related to sustainable natural resources management at the international level and their implementation at the national level.
- Assumption that, at the institutional level of FAO, adequate mechanisms exist to ensure effective inter-unit collaboration.

- Risk that international policies and arrangements cannot be agreed by countries for sustainable natural resources management, including, for example, in relation to access to genetic resources and the sharing of benefits derived from their use, and in relation to climate change-related instruments, such as the Kyoto protocol and any post-2012 arrangements, clean development mechanism and other carbon market mechanisms, facilitating farmers' access to such financial resources.
- Risk that, at the national level, countries are not able to develop the capacities to manage the opportunities and challenges and mobilise necessary resources for capacity building related to sustainable natural resources management.
- Risk that as a result of climate change, new challenges will develop in relation to natural resources and their sustainable management for which appropriate mitigation and/or adaptation mechanism have not yet been explored.

Application of Core Functions to Strategic Objective F

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
F1	X	X	X	X	X	X	X	X
F2	X	X	X	X	X	X	X	X
F3	X	X	X	X	X	X	X	X
F4	X	X	X	X	X	X	X	X
F5	X	X	X	X	X	X	X	X
F6	X	X		X	X	X	X	X

Organizational Result F1 - Countries promoting and developing sustainable land management

Indicators	Baseline	Target (4 years)	Target (2 years)
F1.1 Number of countries whose land resources databases and geospatial infrastructure meet FAO standards/criteria	To be determined	10 additional countries	<i>5 additional countries</i>
F1.2 Number of countries whose national land use plans, national strategies and national land use legislation are consistent with FAO guidelines and policies for sustainable land management, including in environments at greatest risk (particularly drylands/ mountains/ coastal zones)	0	10	5

Primary Tools for achievement of the Organizational Result

1. Provide policy and legal advice, capacity building and technical guidance and/or develop guidelines on how to use land in sustainable ways, including the analysis of food chains and their relative impact on the land resources, and ecosystem approaches.
2. Strengthening the capacity of countries to generate and use soil, land cover and land use data at the national level, including through the establishment of appropriate Spatial Data Infrastructures and Standards.
3. Contribute to the preparation of a periodic, high-profile FAO publication on the State of Land and Water Resources (SOLAW).

4. Assess and monitor land resources, land use, land suitability, land degradation, and soil/land management practice and coordinate, compile and disseminate global level assessments, notably through GeoNetwork.
5. Contribute to the long-term perspectives, harmonised monitoring, assessment and reporting of trends at various levels: global, regional and national.
6. Strengthen the contents, coverage, and quality of statistics on land resources, use and management in FAOSTAT to empower it as an important information system in support of design, monitoring and implementation of effective and efficient global and national policies.
7. Support international conventions where land use, land use change and land degradation are relevant and support countries in their reporting obligations under these international instruments, and in implementing these conventions through appropriate national legislation.
8. Assess interactions between land and climate change, including greenhouse gas emissions and sequestration, and payments for environmental services.

Organizational Result F2 - Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems

Indicators	Baseline	Target (4 years)	Target (2 years)
F2.1 Number of countries or river-basin organizations whose water-scarcity coping strategies adopt FAO recommendations	0	8	4
F2.2 Number of institutions which have adopted FAO water productivity enhancement tools and approaches	0	20	8
F2.3 Number of monthly visits to the FAO Water Web site	40,000	60,000	48,000

Primary Tools for achievement of the Organizational Result

1. Strengthening of FAO Water platform to promote joint technical work and disseminate results on the multi-functional use and cross-sectoral management of water within FAO (through collaboration between relevant units, including water, land, agriculture, livestock, economics, forestry, legal, policy and investment units).
2. Provision of water policy services to address water management strategies in support to rural development and agricultural productivity enhancement, and the adoption of effective water allocation under conditions of scarcity. Deployment of water audit, irrigation and water investment framework methodologies to account for agriculture's water use and related investment in institutional and infrastructure assets.
3. Provision of technical support to promote responsive agricultural water management. Strengthening of national capacity to address irrigation performance and modernization, water use efficiency and productivity enhancement, water quality management and technological development using FAO main products [including the mapping systems and services for canal operation techniques (MASSCOTE), FAO crop-model (AQUACROP), etc.) and guidelines.
4. Networking with key partners for the effective promotion of best practices in agricultural water management. Support to knowledge hubs and communities of practice for knowledge synthesis, dissemination, and capacity building at requisite scales.
5. Provision of water information services to underpin field and normative water activities across FAO. Coordinate, compile and disseminate data and information on water resources and water use at global level [FAO's Information System on Water and Agriculture (AQUASTAT), and

linkage with the Corporate Database for Substantive Statistical Data (FAOSTAT), GeoNetwork] and develop global analysis on status and trends of water resources (specifically, for FAO's AT 2030/50 projections, the UN-World Water Development Report and inter-agency coordination on water issues – UN-Water). In particular promoting the development of a global early warning system on water quality and quantity through UN-Water.

Organizational Result F3 - Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources

Indicators	Baseline	Target (4 years)	Target (2 years)
F3.1 Number of major outputs and milestones achieved, as defined by the Commission on Genetic Resources for Food and Agriculture (CGRFA) in its Multi-Year Programme of Work on biodiversity for food and agriculture which have been achieved	N/A	Two milestones and four major outputs achieved	<i>One milestone and two major outputs achieved</i>
F3.2 Number of operational joint work plans or cooperation arrangements on biodiversity for food and agriculture with international fora, such as the Convention on Biological Diversity, the World Intellectual Property Organization and the International Treaty on Plant Genetic Resources for Food and Agriculture	0	4	2

Primary Tools for achievement of the Organizational Result

1. Provide an intergovernmental forum for policy making, including the negotiation of effective international instruments and the updating of existing instruments (e.g. Global Plan of Action for Plant Genetic Resources) on all components of biodiversity of relevance to food and agriculture, including through facilitating sessions of the CGRFA.
2. Guide and oversee: 1) assessments of the state of the world's different components of genetic resources for food and agriculture, and 2) the implementation of policy instruments on biodiversity for food and agriculture.
3. Facilitate the achievement of outputs and milestones established by the Commission's Multi-year programme of work.
4. Establish partnerships and strengthen cooperation with relevant international organizations, *inter alia* through the coordination of FAO expertise/cooperation with allies, to facilitate through policy and technical advice the implementation of instruments of relevance to biodiversity for food and agriculture.
5. Monitor trends regarding the use and exchange of genetic resources for food and agriculture to assist in articulating policy and strategy options for access and benefit-sharing policies, at national, regional and international levels, aiming at improving food security.

Organizational Result F4 - An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development

Indicators	Baseline	Target (4 years)	Target (2 years)
F4.1 International consensus on measures to improve governance of access to, and secure and equitable tenure of land, and its interface with other natural resources	No consensus on specific measures	Adoption of voluntary guidelines by a FAO Technical Committee	<i>Draft voluntary guidelines</i>

Primary Tools for achievement of the Organizational Result

1. Support for the development of consensus on voluntary guidelines and policies on responsible governance of tenure in the framework of the International Conference on Agrarian Reform and Rural Development (ICARRD) Declaration's vision and principles related to rural development, agrarian reform and other aspects of land tenure and through mainstreaming of the principles and actions of the Voluntary Guidelines of the Right to Food into land tenure.
2. Tools and methodologies for building capacity in the administration of natural resource tenure, including through the development of partnerships and alliances to stimulate the dissemination and application of information.

Organizational Result F5 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy

Indicators	Baseline	Target (4 years)	Target (2 years)
F5.1 Number of countries that have developed action plans to address the challenges of climate change mitigation and adaptation in agriculture	To be determined	15 additional countries	<i>5 additional countries</i>
F5.2 Number of countries that have developed policies, strategies or action plans to address the challenges and opportunities of bioenergy development	To be determined	At least 15 additional countries	<i>At least 7 additional countries</i>
F5.3 Interactions and linkages between food security, sustainable natural resources management, poverty reduction, and sustainable bioenergy development recognised and addressed explicitly in international fora, as well as in existing and new Multilateral Environmental Agreements	The final declaration of the High Level Conference on World Food Security: the Challenges of Climate Change and Bioenergy, June 2008	1. Draft proposal on food security principles and standards related to sustainable bioenergy development submitted to intergovernmental consensus and as basis for amendments of existing Multilateral Environmental Agreements, fostered through relevant	<i>1. Interactions and linkages between food security, sustainable natural resources management, poverty reduction, and sustainable bioenergy development reflected in the 1st draft standard of the Roundtable on Sustainable Biofuels (RSB) and the first framework of sustainability criteria and indicators of the Global Bioenergy</i>

		international fora. 2. At least 15 developing countries actively engaged in proposed consensus and fostering processes	<i>Partnership (GBEP).</i> <i>2. At least two FAO meetings on bioenergy and food security/poverty standards</i>
Primary Tools for achievement of the Organizational Result 1. Generation and management of knowledge, data, tools, technologies, approaches, communication for development and extension practices, related to sustainable bioenergy development and climate change mitigation and adaptation, including impact assessments, (climate-related) disaster-risk reduction, and financial implementation mechanisms, such as payments for environmental services. 2. Technical assistance, policy and legal guidance to strengthen countries' capacities related to environmental challenges including climate change impact assessment, mitigation and adaptation, (climate-related) disaster-risk reduction, sustainable bioenergy development and adapted production systems. 3. Training, appropriate information, Web site development and other types of communication and capacity building support related to the challenges of climate change and sustainable bioenergy development. 4. Participation in international dialogues on climate change mitigation and adaptation and sustainable bioenergy development and in Multilateral Environmental Agreements, including technical support to countries to facilitate and make more efficient their participation in these international dialogues. 5. Advocacy and provision of inputs to intergovernmental processes to ensure that the dimensions of food, crop, livestock, forestry and fisheries are reflected in the negotiations, financial mechanisms and the implementation of international instruments addressing global challenges.			
Organizational Result F6 - Improved access to, and sharing of knowledge, for natural resource management has been facilitated			
Indicators	Baseline	Target (4 years)	Target (2 years)
F6.1 Number of countries with projects in place to enhance capacities of research and extension systems for sustainable natural resource management	25	35	20
F6.2 Number of countries implementing programmes and strategies of communication for development for sustainable natural resource management	20	30	25

Primary Tools for achievement of the Organizational Result

1. Technical assistance and policy advice to countries on strengthening national research and extension systems.
2. Development of a coalition with CGIAR, GFAR and other international agricultural research entities for sustainable agricultural development and knowledge availability and transfer.
3. Development of assessment tools and strategies for countries' research, extension systems and communication for development plans in sustainable agricultural development and natural resources management.
4. Facilitation of dialogue to establish functional linkages among stakeholders of agriculture innovation systems

**STRATEGIC OBJECTIVE G –
ENABLING ENVIRONMENT FOR MARKETS TO IMPROVE
LIVELIHOODS AND RURAL DEVELOPMENT**

Issues and Challenges

Livelihoods and rural development are affected by the extent to which small producers exploit market opportunities, and markets and institutions function efficiently in a changing environment. Agricultural producers, workers, traders, processors, input suppliers, exporters, importers and consumers are linked through local, national, regional and international markets. As a result of these multiple exchanges, incomes and employment can be generated and rural development promoted. However, the effective participation of developing country producers, especially small producers, in markets is limited and the efficient functioning of markets is constrained by *inter alia* inappropriate policies, low volumes, limited competitiveness, lack of information, inadequate infrastructure, weak institutions and market power asymmetries. At the same time, markets are evolving as a result of changes in technology, trade rules, structural developments, the proliferation of demanding standards and a variety of other emerging issues.

Stakeholders need analytical information concerning the nature and the implications of such changes for growth, rural poverty, rural development and food security. They also need improved capacity to participate effectively in international fora, negotiating international trade rules so that their interests are taken into account. To reduce poverty and meet development and food security needs, policy makers should have the capacity to identify and implement appropriate policies to facilitate the response of the private sector, including small producers, to new market demands and opportunities. At the same time, employment creation in agriculture or through rural enterprise and agribusiness development needs to be accompanied by policies that ensure fair and safe conditions in rural areas.

Assumptions and Risks

- It is assumed that there is a significant need for assistance to countries, regional bodies and other stakeholders to assess the implications of key developments and to identify market, institutional, policy and legal responses and resource mobilization strategies, paying special attention to the needs of smaller producers, landless and workers. On the one hand, it is assumed that those involved directly in production, processing and marketing activities, especially small producers, generally need to adopt a more commercial approach and improve their technical, managerial and marketing skills in order to benefit from remunerative markets. On the other hand, it is assumed that rural people, who are employed, need to be adequately remunerated and protected. Given the globalization of value chains, it is assumed that stakeholders need to be cognizant of developments in international markets and policy, and in international trade rules. Analysis and information concerning markets are needed to support the development of appropriate national and international policies. Countries must support policy design and implementation, and FAO and its partner organizations should have the capacity to assist them.
- Some ministries of agriculture and other relevant organizations may be ill-equipped to analyze, formulate or implement appropriate policies, regulations and legislation and to develop other aspects of an enabling environment for rural producers, workers, and agribusinesses. Governments may not demonstrate the political will and financial commitment to improve the functioning of national and international markets and other institutions, and infrastructural investments to encourage greater market orientation of small producers may not be in place. There are also exogenous risks. The market possibilities of

smaller enterprises may be adversely affected by the power of larger enterprises, including multinational companies. Efforts to create an enabling environment may be compromised by political, economic (including food price volatility), and environmental crises that may transcend national boundaries.

Application of Core Functions to Strategic Objective G

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G - Inter-disciplinary approach	H - Partnerships, alliances
G1	X	X		X	X	X	X	X
G2	X	X	X	X	X	X	X	X
G3	X	X		X	X	X	X	X
G4	X	X	X	X	X	X		X

Organizational Result G1 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements

Indicator	Baseline	Targets (4 year)	Targets (2 year)
G1.1 Number of countries and regional or subregional organizations that have implemented policy developments or strategy reforms to help small producers respond and improve their access to output and input markets	0	6 countries and 4 regions or subregions	3 countries and 2 regions or subregions
G1.2 Number of countries that are implementing plans to reorient their extension services to support small producers in exploiting market opportunities.	0	8	4

Primary Tools

1. A global analysis/framework on the future of smallholder farmers as agriculture and food systems transform.
2. Appraisal of market trends at country level.
3. Develop methodologies to assist countries to carry out competitiveness, value chain, impact studies and institutional analysis.
4. Identify best practices for developing equitable, efficient and sustainable linkages between the private sector and small producers.
5. Support to countries on policies to reorient extension services to better meet the needs of small producers.
6. Extension guides on farm management, marketing and post-harvest handling.
7. Promote policies and mechanisms for improving financial services provision for small producers.
8. Advisory material and support to value chain actors and organizations that work with producers on the planning and design of market-oriented infrastructure.

9. Support to value chain actors and organizations that work with producers on rural finance, post-harvest operations, contract farming, linking producers to markets, market infrastructure, and input and equipment supply.
10. Contribute to the development of appropriate risk management tools for producers.

Organizational Result G2 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships

Indicator	Baseline	Target (4 year)	Target (2 year)
G2.1 Number of requests for FAO analyses of patterns and trends of farm and non-farm employment	To be determined	60	20
G2.2 Number of countries which have developed agriculture programmes and policies that promote approaches to rural employment, access to land and income diversification	To be determined	8	4

Primary Tools

1. Establishment and maintenance of a database with primary data and information on sources of income and other socioeconomic characteristics of rural households, including land tenure and access to land.
2. Policy-relevant analytical work on rural households' sources of income, and patterns and trends in farm and off-farm employment, land tenure and access to land, including gender differences.
3. FAO self-assessment, strategy, and work programme on decent rural employment and access to land developed to reflect all relevant FAO technical areas and accessible to member countries and partners through the FAO-ILO website and other channels.
4. Policy advice to create both more and better rural employment and access to land in agricultural and non-agricultural rural sectors.
5. Capacity building and advocacy work to support policies that are more conducive to decent rural employment and access to land.
6. Capacity building in data collection and analysis of rural employment, access to land and income issues.
7. ILO standards and conventions (i.e. gender discrimination, child labour, youth employment, occupational health and safety, rural enterprise creation, rights of association, labour standards) and FAO-negotiated and voluntary standards and codes of practice relevant to rural employment and access to land concerns (i.e. chemicals/pesticide use, distribution and disposal, equipment safety, Good Agricultural Practices (GAP), logging, and safety at sea (on board of vessels); maritime convention; code of conduct of responsible fisheries, Voluntary Guidelines for the Responsible Governance of Land and Natural Resources, etc.).
8. FAO-ILO Memorandum of Understanding (2004) and ILO, IFAD, FAO, IFPRI, IFAP, IUF Declaration of intent on cooperation on child labour in agriculture (2007).

Organizational Result G3 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries			
Indicator	Baseline	Target (4 year)	Target (2 year)
G3.1 Number of countries with strategies for improving agribusiness competitiveness in their agricultural and rural development (ARD) policies	To be determined	+10	+5
G3.2 Number of countries with institutional mandates for: rural and small producer development; fostering public-private cooperation; and agro-industry sector oversight and coordination	To be determined	+6	<i>6 more countries have begun process</i>
G3.3 Number of countries that have official documented mechanisms for including the private sector, including commercially-oriented small producers, in rural development strategies	To be determined	10	5
Primary Tools 1. Appraisal of trends and policy responses. 2. Support countries in developing sectoral strategies for agribusiness and agro-industries, with special focus on producer organizations and SMEs. 3. Identify sector specific indicators and benchmarks to guide policy development and institutional reform. 4. Promote actions to improve financial services to agribusiness, especially small producers, SMEs and producer organizations. 5. Support governments in formulating strategies and policies for mechanization. 6. Provide guidance on public sector roles and responsibilities for contract intermediation, conflict resolution, and promotion of responsible business practices. 7. Build capacity of organizations that provide support to agricultural SMEs and producer organizations. 8. Support piloting and appraisal of SME value-adding technologies and value-chain innovations. 9. Contribute to the development of appropriate risk management tools for agro-enterprises.			

Organizational Result G4 - Countries have increased awareness of, and capacity to, analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities, and to formulate appropriate and effective pro-poor trade policies and strategies			
Indicator	Baseline	Target (4 year)	Target (2 year)
G4.1 Trend in the number of page views/visits to FAO web sites containing information on international agricultural commodity markets, trade policy and related trade negotiations issues and their impacts on small producers and rural development	To be determined	Increase/same	<i>Increase/same</i>
G4.2 The number of times in which FAO analysis of international agricultural commodity markets, trade policies and negotiating issues are cited in citation indices relative to comparable international organizations	To be determined	+10%	+5%
G4.3 Percentage of officials receiving FAO training in trade negotiation and in analysis of policy options and trade policy formulation to enhance small producer livelihood and promote rural development giving a positive trainee evaluation	To be determined	80%	80%

Primary Tools

1. Monitoring, statistical information and analysis of situation and outlook for international markets for agricultural products.
2. Analysis of standards in international agricultural trade.
3. Analysis of trade policies and strategies.
4. Monitoring and analysis of changes in trade rules under multilateral and regional trading arrangements.
5. Advice, training support and assistance in market information and analysis.
6. Advice, training support and assistance related to standards and certification.
7. Advice, training support and assistance in policy formulation and legislative development.
8. Advice, training support and assistance on international trade negotiations - workshops, roundtables and technical assistance.

STRATEGIC OBJECTIVE H - IMPROVED FOOD SECURITY AND BETTER NUTRITION

Issues and Challenges

It is now clear that it may not be feasible to meet the Millennium Development Goal (MDG) target for halving hunger by 2015. Food insecurity and malnutrition act as a break on economic development, and ways and means must be urgently found to accelerate reductions in hunger and malnutrition, and to raise levels of food security and nutrition for all.

FAO's most recent estimates put the (rising) number of hungry people at 1020 million in 2009, an increase of more than 180 million since the 1990-92 base period. Moreover, micronutrient malnutrition affects about 2 billion people worldwide - over 30 percent of the world's population. Globally 10 million children die before their fifth birthday every year - over a third caused by undernutrition. One in three developing country children under the age of five – 178 million children – suffer stunting due to poor quality diets and disease.

Exacerbating factors include demographic changes (population growth and urbanization) that increase demand for food and alter dietary patterns at the same time as widespread land degradation, increased smallholder marginalization, transboundary movement of diseases, and environmental pressure. Efforts to overcome food insecurity and malnutrition are made more arduous by the impact of the present financial and economic crisis, and in particular of soaring or volatile food prices, impact of climate change and climate variation, and use of food crops as biofuel.

As events in 2008-09 demonstrated, national, regional and global capacities in support of appropriate and effective food security and nutrition governance are weak. Economic, political, institutional, regulatory, legal and social frameworks must be strengthened for better food security and nutrition governance and in support of the realisation of the right to food.

The magnitude of hunger, food insecurity and malnutrition has been assessed in many countries; however, there remains insufficient understanding of the prevalence and root causes of food insecurity and malnutrition among vulnerable groups at sub-national levels. Timely and forward-looking assessments and analyses are needed for the design and implementation of appropriate policies, prioritised investment programmes and interventions to address food security and nutrition challenges.

The immediate needs of most vulnerable populations must be met, while at the same time building longer-term resilience by tackling the underlying causes. Consequently up-to-date information, analyses, policies and programmes are needed for determining the underlying causes of food insecurity and malnutrition and for identifying and implementing effective solutions. Bringing together FAO's knowledge for targeted initiatives and programmes supported by consistent, coherent and effective action at country (including subnational), regional and global levels is a prerequisite to achieve this Strategic Objective.

Assumptions and Risks

- Assumption that national governments and the international community create an enabling policy environment and supportive institutional and technical mechanisms to implement cross-sectoral food security and nutrition policies, programmes and actions.
- Assumption that food security and nutrition issues are normally well-articulated in national exercises such as the PRSP, UNDAF, and in national government priorities.
- Assumption that adequate human resources and budgets are made available by countries and development partners to overcome the constraints to achieving sustainable food security and good nutrition.
- Assumption that there is willingness among concerned national line ministries and institutions, and among international agencies and other development partners to work cross-sectorally at all levels.

- Assumption that national information systems have the capacity needed to assess and monitor developments in food security and nutrition, while also providing the necessary data for the compilation of Supply Utilization Accounts and Food Balance Sheets used for the estimation of undernourishment.
- Assumption that countries and development partners provide adequate attention and resources to dietary diversification and nutrition improvement.
- Assumption that households and household members generally have entitlement and access to sufficient economic and physical resources, and awareness of how to efficiently manage such resources for improved food security and better nutrition.
- Assumption that there is a minimum level of awareness of the benefits of a healthy diet leading to greater demand for nutritionally adequate, safe and diverse diets.
- Risk that civil strife, political and economic instability, lack of financial commitment and insufficient policy dialogue hinder the implementation of needed reforms of policies and programmes for improved food security and better nutrition.
- Risk that there is lack of collaboration and insufficient capacity of key stakeholders to effectively participate and contribute to decision-making processes.
- Risk that lack of economic resources and political will may jeopardize targeting of the poor and most marginalized sectors of the society.
- Risk that external factors (water, sanitation, HIV pandemic, tuberculosis, malaria and other diseases) offset dietary improvements and gains in food utilization.

Application of Core Functions to Strategic Objective H

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
H1	X			X	X	X	X	X
H2	X		X	X	X	X	X	X
H3				X	X	X	X	X
H4	X	X			X	X	X	X
H5	X	X	X	X	X	X	X	X

Organizational Result H1 - Countries and other stakeholders have strengthened capacity to formulate, implement and monitor coherent policies, strategies and programmes that address the root causes of hunger, food insecurity and malnutrition

Indicator	Baseline	Target (4 years)	Target (2 years)
H1.1 Number of countries' Regional Economic Integration Organisations (REIOs) that have formulated sectoral and cross-sectoral food security and nutrition policies, strategies or programmes (including NPFS/RPFS)	0	(i) 1017 countries (NPFS) and 4 REIOs (RPFS); (ii) ex-ante policy/programme assessments in 6 countries	(i) 11 countries (NPFS) and 2 REIOs (RPFS) (ii) ex-ante policy/programme assessments in 3 countries
H1.2 Number of countries and REIOs that have implemented sectoral and cross-sectoral food security and nutrition policies, strategies and programmes (including NPFS/RPFS)	16 NPFS and 4 RPFS	(i) 33 NPFS and 8 RPFS (ii) 10 countries (food security and nutrition policies)	(i) 27 NPFS and 6 RPFS (ii) 5 countries (food security and nutrition policies)

H1.3 Number of countries piloting a cross-sectoral results-based policy and programme monitoring system covering food insecurity, hunger and/or malnutrition concerns	0	5	2
Primary Tools • Advocacy and cross-sectoral collaboration: Development and dissemination of lessons learnt on policy processes and management, raising awareness of, and developing evidence-based advocacy strategies, while working through partnerships and alliances across agencies and at national and regional levels, including through improved information and communication, to advocate for investment in prioritised cross-sectoral food security and nutrition programmes. • Monitoring and analysis: Develop and deliver methods and tools for strengthening global, regional and national food security information and early warning systems, including support to national FIVIMS, poverty and vulnerability assessments in support of better-targeted and prioritised policies and programmes. In addition, provide methods and tools for ex ante socio-economic policy and programme impact assessments, policy and programme monitoring and intelligence systems, and technical assistance for results-based policy monitoring systems. • Provision of FAO policy and programme advice: Conduct global, regional and country analysis of impacts of macroeconomic, agricultural and socio-economic policies and programmes on food and nutrition, and the impacts of food security and nutrition policies on development objectives of the country; preparation of policy profiles and frameworks on food security and nutrition-related emerging issues, and technical advice on ways to address food security and nutrition issues sectoral and cross-sectoral policies, strategies and programmes. • Capacity development and institution building: Provision of technical and institutional support for: the development of analytical and methodological tools for ex-ante policy impact analysis and policy monitoring; development, implementation, monitoring and evaluation of national and regional food security programmes; negotiations skills; participatory and sustainable food security and nutrition strategy and policy formulation; the reduction of post-harvest production; losses and enhanced efficiencies in the food system and/or value chain.			
Organizational Result H2 - Member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realisation of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security			
Indicator	Baseline	Target (4 years)	Target (2 years)
H2.1 Number of countries in which institutions have adopted and applied principles of good governance in the formulation, implementation or monitoring of food and nutrition policies and programmes	To be determined	5	3
H2.2 Number of countries that have developed or strengthened legal, institutional, or policy frameworks for the progressive realisation of the right to adequate food	To be determined	10	7

H2.3 Number of countries that have developed human rights- based policies and programmes targeted specifically at food insecure and vulnerable groups	To be determined	10	7
H2.4 Number of countries that have undertaken advocacy, communication and education strategies in support of good food security governance and the right to food	To be determined	10	7
H2.5 Number of FAO policy documents that provide ways and means to strengthen global food security governance	0	4	2
Primary Tools 1. Conceptual guidance on the development and implementation of strengthened food security governance at global and country levels. 2. Capacity development and advocacy on the application of rights-based approach and the principles of good governance (including transparency, accountability, participation, non-discrimination, empowerment, and respect for the rule of law). 3. Application and adaptation of FAO's Right to Food Methodological Toolbox (comprising guides and methodological tools on how to legislate, monitor, assess, budget for the right to food, including the right to food curriculum development) to guide and promote policies, strategies, programmes and public actions. 4. Assessment and analysis of population groups most vulnerable to food insecurity and malnutrition (including through the FAO-FIVIMS programme). 5. Knowledge generation and exchange with national and international partners on the application of the right to food and human rights-based approaches, including the collection, analysis and dissemination of best practices and lessons learned. 6. Provision of a multi-stakeholder platform for dialogue and exchange of lessons learned on the implementation of good governance and the right to food (e.g. CFS, GPFS, RTF Forum). 7. Secretariat support service to the CFS process. 8. Analysis, advocacy and technical advice for strengthened global food security. 9. Technical and policy advice on legal, institutional and social reforms. 10. Integration of the right to adequate food and human rights' principles and approaches in FAO's normative and operational work.			
Organizational Result H3 - Strengthened capacity of Member countries and other stakeholders to address specific nutrition concerns in food and agriculture			
Indicator	Baseline	Target (4 years)	Target (2 years)
H3.1 Number of countries that have incorporated nutrition objectives into at least 3 sectoral policies or into their Poverty Reduction Strategy (PRS)	To be determined	10	5
H3.2 Number of countries that have assessed and analysed the impact of	To be determined	4	2

changing food systems on nutrition			
H3.3 Number of countries that have developed and endorsed national dietary guidelines or that have implemented national nutrition education programmes in at least two sectors (agriculture and education)	To be determined	10	5
Primary Tools 1. Provision of household food security and nutrition expertise, methods, guidelines and analytical tools for nutrition and dietary assessment to support food and nutrition policy, strategy and programme development, to select appropriate food-based interventions and to assess impact. 2. Household and individual level dietary diversity and food access measures (food security and nutrition assessment and monitoring). 3. Assessment and analysis of population groups most vulnerable to food insecurity and malnutrition (FAO-FIVIMS). 4. Advice on incorporating nutrition objectives into food and agricultural policies and programmes to address food-related nutrition problems. 5. Build capacity in the development of science-based national dietary guidance and regulations, and develop educational and communication resources on improving nutrition and the diversity of diets for dissemination and adaptation at local, national and regional levels. 6. Upgrade countries' institutional abilities to develop and implement nutrition curricula and professional training programmes at all levels to assist countries raise the level of capacity and understanding of the importance of nutrition concerns in the broader policy/programme environment.			
Organizational Result H4 - Strengthened capacity of ember countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition			
Indicator	Baseline	Target (4 years)	Target (2 years)
H4.1 Number of countries using FAO guidelines, methodologies or standards for collecting, analysing and disseminating data and statistics on food and agriculture	To be determined	15	10
H4.2 Number of countries supported by FAO to conduct training in data collection, compilation, analysis or dissemination of food and agricultural statistics	To be determined	30	15
H4.3 Access to FAO databases and statistical publications as measured by the average number of hits	6 million	7 million	6.5 million

per month on the FAOSTAT Web site			
Primary Tools 1. Capacity building on food balance sheets, agricultural census and household budget surveys. 2. Developing global datasets on food security situation and trends. 3. Promoting greater sharing and consolidation of food security and nutrition data and statistics. 4. Promoting the adoption or development of data and information management systems, such as CountrySTAT. 5. Adapting and developing new and appropriate statistical methods. 6. Providing technical support to improve countries' capacity to analyse data and statistics in order to better assist decision-makers to formulate sound food security and nutrition policies and programmes. 7. Developing strategies in support of sustainable national statistical services. 8. Promoting the production of supply/utilization accounts and food balance sheets. (SUAs/FBSs), including statistics on macro-nutrient and micro-nutrient availability. 9. Promoting the generation and dissemination of food security statistics from household surveys.			
Organizational Result H5 - Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge			
Indicator	Baseline	Target (4 years)	Target (2 years)
H5.1 Average number of web visitors per month searching for FAO knowledge and information resources, products or expertise on food security, agriculture and nutrition	4 million	6 million	5 million
H5.2 Number of FAO flagship publications and peer reviewed books or journal articles on FAO research and analysis on food security, agriculture and nutrition	2 annual FAO 'flagship' publications; 10 peer-reviewed books/journal articles	To be determined	To be determined
H5.3 Member countries and other stakeholders use FAO standards, tools, and systems for information management and knowledge sharing		To be determined	
Primary Tools 1. Publish country, regional and global FAO research and analytical materials on food security, poverty, agriculture and nutrition (i.e. Working papers, journal articles, policy briefs, etc.). 2. Publish FAO-targeted information/knowledge products, including flagship publications (SOFA, SOFI, SOCO, SOFIA), periodic reports and key documents on emerging issues relevant to food security, agriculture and nutrition (Food Outlook, CPFS, CFSAM Reports, Agricultural Outlook). 3. Conduct socio-economic analysis on global perspective issues related to major long-term global food, nutrition, agriculture and natural resources issues with the objective to inform policy decisions and development plans based on analytic information and informed judgement.			

4. Conduct household analysis relevant to address rural poverty, food insecurity, income and employment issues.
5. Develop and deliver methods, tools and guidelines to standardize and harmonize food security and nutrition information (FIVIMS, EC/FAO Food Security Programme).
6. Develop global analysis and monitoring services and advocacy for improved decision-making in food security and nutrition (CFS, FAOSTAT, GIEWS, FIVIMS, Nutrition Country Profiles).
7. Global, regional and national fora on food security and nutrition supported by FAO (CFS, technical meetings, high-level meetings).
8. Development of face-to-face and virtual knowledge exchange events and platforms, and knowledge sharing services on current and emerging issues at global, regional, national and local levels (e.g. CFS, CCP, Regional/national fora).
9. Development and dissemination of FAO standards, methods, tools, and systems related to information management and knowledge sharing (including for digital information).
10. Undertake assessments and appraisals of capacity gaps in information and knowledge to strengthen food security and nutrition.
11. Support to national/local capacity development in management and exchange of information and knowledge.
12. Development of platforms for documenting experiences, sharing good practices and lessons learned.

STRATEGIC OBJECTIVE I - IMPROVED PREPAREDNESS FOR, AND EFFECTIVE RESPONSE TO, FOOD AND AGRICULTURAL THREATS AND EMERGENCIES

Issues and Challenges

Three out of four people in developing countries live in rural areas and depend predominantly on agriculture for their livelihoods. Emergencies tend to have the most severe consequences on the food security and livelihoods of poor, vulnerable and agriculture-dependent populations. The nature of these emergencies ranges from sudden-onset natural disasters, chronic disasters (e.g. drought), complex crises (e.g. civil conflict, market shocks) to the consequences of climate variability. Climate change is not only increasing the frequency and severity of natural disasters, but may also affect the incidence of transboundary pests and diseases.

In 2008, the Centre for the Research on the Epidemiology of Disasters reported 321 disasters associated with natural hazards. Climate-related disasters caused nearly three-quarters of the damage inflicted. In 2008, the number of deaths caused by natural hazards was three-times the average for 2000-2007. Complex emergencies continue to affect tens of millions of persons globally. In response to some of these needs, the 2009 UN Humanitarian Consolidated Appeal reported that 30 million people will require assistance at a record high of USD 8.2 billion, as compared with USD 3.8 billion in 2008 for 25 million people.

Proactive strategies are essential if vulnerable countries are to avoid large-scale loss of life, destruction of the environment, infrastructure and economic activity, and degradation of livelihoods and nutrition. Emergency preparedness and response must address the specific needs of agriculture-based populations, particularly smallholders, pastoralists, fishers, forest users, landless farm workers and their dependants, with particular focus on food insecure and nutritionally vulnerable groups. Effective support should involve all elements of disaster risk management (DRM), including early warning, contingency planning, disaster risk reduction (preparedness), needs assessment, timely response and support to national DRM planning. Collaboration with primary actors, such as UN agencies and partners (UNISDR, GFDRR), regional organizations, national counterparts and other sectors (e.g. health, education, social affairs) must ensure integrated support at global, regional and national levels.

FAO support to country-level preparedness and emergency response will necessarily be influenced by changing financial and institutional conditions. Funding modalities will continue to evolve to be more diversified and pooled at global and country levels. The high number of UN agencies and NGOs involved in food, nutrition and agricultural emergency and rehabilitation work will create opportunities for collaboration and cooperation, but also coordination challenges, particularly those associated with transition from immediate response and rehabilitation to development. Within the UN system, the existing reform process will offer opportunities for FAO with regard to coordination and leadership on food security and nutrition issues at global, regional and national levels. At country level, the governments of countries experiencing emergency situations will play new and stronger roles in risk reduction and the coordination of external assistance through capacity building of national disaster management institutions.

Assumptions and Risks

- Assumption that Governments assign sufficient priority to capacity building in risk analysis, early warning, contingency planning, preparedness, coordination of response in emergencies and supporting transitions from relief to development programming.
- Assumption that countries support national preparedness and early warning systems, and promote capacity development in community, national, regional and international systems to identify new threats and risks, and related impact and mitigation measures.
- Assumption that cost-effective and sustainable preparedness methodologies are available for implementation in developing countries.

- Assumption that core capacity of FAO technical divisions generally remain consistent with the need to support work in emergencies, rehabilitation and transitions, and to assume leadership when appropriate. FAO will manage food chain emergencies applying the Crisis Management Framework for Preventing and Responding to Transboundary Animal Diseases and Plant Pests and Food Safety Emergencies [CMC for the Food Chain]. FAO will augment its rapid response capacity through the progressive corporate implementation of the Incident Command System (ICS) within the Crisis Management Framework for large emergencies.
- Risk that the number and severity of crises may become far greater than the capacity of the countries and the Organization to respond effectively.
- Risk that the global financial crisis precludes adequate levels of funding for humanitarian relief, recovery and transitions programming in the immediate and near future.
- Risk that FAO may not be able to ensure the integrated and coordinated approach necessary to provide appropriate and timely support across all elements of disaster risk management associated with food and agriculture.

Application of Core Functions to Strategic Objective I

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
I1	x	x	x	x	x	x	x	x
I2	x	x	x	x	x	x	x	x
I3	x	x	x	x	x	x	x	x

Organizational Result I1 – Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions

Indicator	Baseline	Target (4 years)	Target (2 years)
I1.1 Number of countries whose national early warning systems for agriculture and food security have shifted from category 2 to category 1 or from category 3 to category 2 established	To be determined	(Number under finalisation)	(Number under finalisation)
I1.2 Number of countries where FAO has a significant emergency portfolio, whose contingency plans for agriculture and food security have been tested	To be determined	15	10
I1.3 Number of high risk disaster hotspot countries whose disaster risk reduction training strategies in agriculture have been field tested and implemented	To be determined	10	7

I1.4 Number of high risk disaster hotspot countries with specific Disaster Risk Reduction action plans for agriculture included in their national DRM plans	To be determined	15	10
Primary Tools 1. Early warning systems and preparedness: Development and application of services and products for EW food security situation analysis (GIEWS information and tools, GIEWS Workstation, IPC, climate forecasts); products and services supporting assessment and EW systems and food security situation analysis (Livelihood Analysis, Vulnerability Analysis, CFSAM methodology IPC); streamlined/ strengthened/ funded local, national, regional and global early warning systems through appropriate partnerships; developed and implemented FAO Training Package in Disaster Preparedness, internally and with partners; hazard, Livelihood and Vulnerability Baseline methodology; guidelines to build/ strengthen capacity to produce, monitor, analyze and manage early warning data in high risk developing countries with significant vulnerable rural populations; guidelines/ support to contingency planning; FAO response teams established and trained for rapid deployment with core functions delivered for different types of emergencies; agriculture cluster operational including contingency plan and networks in country (including DRM); technical support to emergency preparedness and response provided; development of disaster preparedness plans and practices (to be an inter-agency - UN, NGOs, Governments and donors) exercise with a holistic approach inclusive of local communities; disaster preparedness further mainstreamed in emergency and rehabilitation activities; contingency plan available and owned by the Government; FAO leadership established for coordination of agriculture-based livelihood and food security. 2. Policy and technical support for integrating risk reduction practices and principles into sectoral policies and programmes, including: FAO and partners (within contingency planning and within cluster groups of UNCT) facilitate Governments to develop DRM strategy and plan (rolling document and linked to the NMTPF), and based on most likely scenarios; DRM mainstreamed in national policies and institutions, with multi-partner collaboration on transition; integrated policy and technical support for integrated risks reduction practices and principles; cost benefit analysis tool developed to support mitigation choices/activities; countries allocate resources to prevention and mitigation and train surge teams or quick intervention leaders; countries allocate resources and implement policies on DRR (evidence-based analysis to contribute to national programming processes and capacity building); best practices on knowledge-sharing and lessons learnt for preparedness, prevention and mitigation communicated through a systematic approach and integrated into projects/programmes. 3. Promoting sustainable natural resource management practices (for example: land, water, watershed, forestry, or coastal areas); farming options development and adoption for Agriculture (forestry, fishery and livestock) in the context of extreme events; support household adaptive capacities through the support to food systems resilience; disease and pest monitoring and control in a crisis context, including climate change; land use planning and tenure in the context of extreme events or encroachment into new habitats; infrastructure and agricultural services (for example, seeds systems, seed storage, vaccine banks and cold chain) development in the context of recurrent crises; infrastructure and appropriately- designed food safety risk management programmes; access to integrated databases for food chain risks; technical advice and/or assistance provided on food security, nutrition and livelihoods in at risk areas and emergency contexts; TECA database on good practices for DRM, particularly good practice options for climate risk management documented in international DRR and CCA databases; developing guidance on the principles of good practice options associated with DRR/DRM and documenting lessons learned from application and replication of context-location specific good practice options at the local level; developing guidance on how to			

integrate conflict analysis with DRR (focus on complex emergencies and associated rehabilitation); farming good practices adopted; guidance on how to integrate conflict analysis with DRR.

4. Institutional and technical Capacity building for comprehensive Disaster Risk Reduction (Preparedness prevention and mitigation), including: Assessing and enhancing institutional and technical delivery capacities for DRR within sectoral line departments and extension services; capacity building and training (Policy and technical support) for integrating DRR practices and principles into sectoral development plans or country programming exercises (United Nations Development Assistance Framework [UNDAF], National Medium-Term Priority Framework [NMTPF]); EMPRES-led capacity building programme at national and regional levels on risk assessment, management and communication, including the establishment of regional [laboratory] networks [Regional Animal Health Centres] to share information and deliver training; provision of targeted FAO expertise and knowledge products in disaster risk profiling, monitoring and analysis and disaster preparedness and mitigation policies and planning; capacity building programmes (such as EMPRES, GIEWS) at national and regional levels focused on risk assessment, preparedness and contingency planning; internal built capacity on DRR mitigation, at headquarters and at field level; trained and experienced core staff group in FAO supporting national efforts in capacity building.
5. Advocacy, coordination and provision of inputs to national, interagency and intergovernmental processes, including: Participating in inter-agency and intergovernmental processes, and conventions and conferences; contributing to integration of DRR and CCA concepts within UNFCCC process; DRR/DRM advocacy tools focused on Agriculture are used to enhance focus on global DRM agenda (ISDR and UNFCCC) and attract funding for preparedness, prevention and mitigation; improved communication strategy and dissemination of information CMC Food Chain contributions to improved risk analysis and coordination of food chain risk management in intergovernmental processes.

Organizational Result I2 - Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions

Indicator	Baseline	Target (4 years)	Target (2 years)
I2.1 Number of countries where post disaster needs assessments lead to coordinated national response plans and activities	To be determined	10	5
I2.2 Percentage of countries responding to a new crisis are applying the Cluster approach and implementing agriculture and food security cluster plans that comply with FAO technical criteria for such plans	To be determined	80%	60%
I2.3 Percentage of countries that have implemented emergency programmes using socio-economic and gender analysis tools that comply with FAO criteria	To be determined	30%	10%

Primary Tools

1. Improved partnerships, coordination and leadership, including: a) global and country level support for effective cluster leadership; b) relevant, reliable information on food security related to crisis disseminated to the right people at the right time; c) cluster communication and information toolkit developed; d) active partnership in IASC, UNCT and international and national fora.
2. Advocacy and resource mobilization, including: a) advocacy strategies and tools developed and in place; b) emergencies communication strategy implemented; c) resource mobilization strategy developed for, and with headquarters, liaison and field offices; d) flexible and fast funding mechanisms established.
3. Standardize protocols and procedures for organized response, assessments, and strategic planning, including: a) coherent Emergencies Handbook developed for FAO; b) active use of internal and external partnerships in well-designed, relevant, timely and multi-disciplinary assessments; c) training programme for partners developed and implemented; d) region-specific, relevant strategic emergency frameworks in place; e) Crisis Management Centre approach for food chain emergencies; f) emergency response system development for FAO rapid response to sudden-onset and large emergencies; g) Emergency Response Roster and surge capacity development; h) Plan of Action Guidelines; i) Livelihood Assessment Toolkit (LAT); j) Resilience Tool; k) IPC.
4. Standards, "Do no harm" and "building back better" principles, and good practices for response, including various toolkits and guidelines developed for emergencies dependent on the type of emergency (e.g seed specifications, fertilizer, use of pesticides, processing and storage technologies to facilitate interim food preservation, livestock emergency guidelines, fisheries and aquaculture emergencies guidelines, food safety emergency guidelines, needs assessment guidelines, watershed management approaches, slope stabilization techniques, rehabilitation of livelihood principles, etc.).
5. Appropriate and timely recovery interventions, including: a) response plan developed based on appropriate partnerships and promoting high quality standards; b) implementation : targeted households have improved conditions compared to pre-emergency; c) project/ programme monitoring aligned with RBM SO I monitoring; d) enhanced capacity of partner institutions, organizations and households for direct emergency response; e) support to development of national policies relating to emergencies.

Organizational Result I3 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development

Indicator	Baseline	Target (4 years)	Target (2 years)
I3.1 Number of countries that have experienced at least 10% increase in the level of funding provided to agricultural transition	To be determined	5	2
I3.2 Number of countries with emergencies that adopt agricultural recovery strategies and/or programmes that integrate short, medium and long-term needs	To be determined	15	6

Primary Tools

1. Capacity of governments, local institutions, communities and other stakeholders enhanced to address immediate and long-term needs, including: a) increased national institutional capacity through appropriate capacity building; b) resilience tool; c) sector analysis in support of Agriculture systems; d) short-term contingency plans are integrated into longer-term planning.
2. Formulated response, rehabilitation and transition strategy plans that are harmonized and aligned with government policies and programmes, including: a) NGOs/CSOs/ community groups / women's groups involved at all stages of programme design; b) increasing national ownership and development of a livelihood recovery strategy; c) harmonised national development plans through one-UN type approaches which should start with one FAO programme; d) multidisciplinary team (FAO, donors, local institutions) set up and deployed to assess "transitional needs", based on which country response programme should be amended; e) NMTPF formulation and implementation, ensuring linkage between emergency design to UNDAF, PRSP, etc.; f) joint training with planning workshops; g) involving local institutions; h) fisheries co-management with government and communities; i) National Forest Programs.
3. Knowledge management for informed decision-making by partners, including: a) good practices and lessons learned are documented and disseminated to appropriate audiences; b) HPAI intervention facilitating policies and programmes to other diseases; c) feeding back lessons learnt into policies and training; d) partners have access to relevant information and references guidelines.
4. Mainstreaming of good development practices into emergency transition programmes, including: a) response planning incorporates transition plans starting from initial stages of emergency; b) strategic documents for emergency and transition include 'exit strategies' and are harmonized and aligned with national plans; c) programme approach includes: elements of medium- to long-term development goals; d) strategies to increase resilience, enhance productivity, sustain livelihoods; e) type of programmes: Seed policy formulation, Mangrove rehabilitation, Fishery rehabilitation programmes, Farmers field schools, Integrated food safety programmes, Production planning and coordination of farmer market linkages, Enterprise management, Watershed management programmes.
5. Effective advocacy and donor coordination in favour of transition, including: a) resource allocation mechanisms for transition established; b) advocacy tools for donors to secure longer-term funding; c) donors sensitized to the importance of funding for transition; d) resources allocated identified for transition during emergency phase (including SFERA-like funding and long-term cluster coordination); e) adequate resources are mobilized for post-emergency activities; f) advocacy and communication for funding transition (and building in-country support and ownership; g) IPC analysis; h) CWGER: policy dialogues to create space for transition funding.

**STRATEGIC OBJECTIVE K -
GENDER EQUITY IN ACCESS TO RESOURCES, GOODS, SERVICES AND
DECISION-MAKING IN THE RURAL AREAS**

Issues and Challenges

Gender inequalities and other forms of social inequities are a significant challenge in the quest for equitable social and economic development and this exacerbates food, nutrition and income insecurities. Without addressing social and gender inequalities, the global community will not achieve the goals and aspirations of the World Food Summit and Millennium Development Goals. Men and women play different and complementary roles in agriculture but gender bias in a range of institutions, including government, social norms, families and markets, limits women's ability to access resources, goods and services and to make informed decisions about their productive use. Evidence indicates that economic strategies intended to promote agriculture and rural development are not always beneficial to rural populations particularly women, and sometimes amplify existing socio-economic disparities and marginalization and this trend is likely to worsen given the emerging social, economic and environmental issues including climate change, migration, emerging infectious diseases, global and national economic down-turn.

Although a number of countries have shown some progress in embracing a more gender and socially inclusive approach in agricultural policy formulation and implementation, critical gaps remain. First, cultural biases and lack of political will have resulted in the uneven adoption and implementation of internationally agreed policies and conventions on gender and social equality and women's empowerment. Second, the data needed to understand gender differentiated access to productive resources and its impacts on rural poverty reduction and economic growth are scarce. Third, "gender blindness" in policies and programmes has decreased slightly, but the capacity of policymakers and technical staff in many developing countries remains weak, slowing progress and hindering the integration of gender issues in development programmes. Fourth, even where progress has been made, capacity to sustain policy implementation, monitoring and evaluation of results and impact is often weak. It is possible to address those critical gaps and reach a better level of gender equality in access to resources, goods and services and decision making in rural areas, which is the overall aim of this Strategic Objective.

Although FAO has a clear comparative advantage in addressing rural gender and social equality in agriculture, this requires sharp and sustained focus on the following areas: capacity building both within FAO and among member countries (national level) to ensure that achieving gender equality is seen and treated as a mainstream policy and programming issue; incorporation of rural gender issues in relevant UN policies and joint programmes in order to leverage resources and to efficiently scale-up rural gender issues; sustained generation and analysis of information and statistics on various aspects and trends that have significant implications for gender inequality in order to support the timely formulation and implementation of appropriate policies.

Assumptions and Risks

- Assumption that FAO will remain a centre of knowledge and point of reference on rural gender issues.
- Assumption that Member countries and other institutions will continue to request FAO technical support in rural gender issues.
- Assumption that the One UN pilot programme will succeed and thus UN joint programming will become the modus operandi for UN support at country level.
- Risk that national priorities fail to consider and plan development interventions to meet the gender differentiated needs, priorities and aspirations of men and women.
- Risk that political, economic and cultural biases diminish stakeholder appreciation, understanding, and implementation of the social and economic changes needed to address gender inequalities.

- Risk that member countries, UN agencies, other development partners, FAO governing bodies and senior management fail to show commitment to achieving gender and social equality.
- Risk that inadequate data make it difficult to analyse trends in social and gender issues, identify needs and priorities, and support the development of appropriate gender plans and policies.

Application of Core Functions to Strategic Objective K

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
K1		X	X	X	X	X		X
K2		X	X	X	X	X	X	
K3	X	X	X	X	X	X	X	X
K4				X	X	X	X	

Organizational Result K1 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development

Lead Unit: ESW

Indicator	Baseline	Targets (4 years)	Targets (2 years)
K1.1 Number of countries that have implemented UN joint programmes which contain a rural gender equality component that meets FAO's gender equity criteria	0	7	3
K1.2 Number of “Delivering as One” UN system-wide policy instruments comprise rural gender issues as a result of FAO inputs	0	44	4

Primary Tools

1. Assess current mechanisms, tools and approaches to gender mainstreaming within the One UN framework with the view of identifying needs, gaps and entry points for FAO's technical support in this field.
2. Develop tools and methodologies to inform UN System common approaches based on identified gaps and entry points.
3. Develop more effective partnerships within the UN system and with other relevant stakeholders, building on existing National Medium Term Priority Frameworks, One UN pilots, UN Joint Programmes, and other UN system wide approaches and frameworks.
4. Provide technical assistance to support the uptake of rural gender issues in UN joint programmes and policies.

Organizational Result K2 - Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources

Indicator	Baseline	Targets (4 years)	Targets (2 years)
K2.1 Number of national institutions receiving FAO's technical support that have adopted the	10	22	15

socio-economic and gender analysis (SEAGA) tool for policy formulation and planning.			
K2.2 Number of countries that collect, analyze, use and disseminating, on a nation-wide basis, sex-disaggregated food security and rural development data.	15	30	20
Primary Tools 1. Assess current and emerging capacity building needs in order to identify areas requiring FAO intervention in gender mainstreaming in agriculture, food security, and rural development. 2. Support efforts of governments and other stakeholders to design and provide training that develops skills for gender and socio-economic analysis, participatory policy making and programme development. 3. Provide technical support for the collection, analysis and dissemination of sex-disaggregated data and statistics in policy-making. 4. Develop, revise and/or adapt materials and resources including tailor-made training modules to address rural gender issues in specific technical areas (e.g. nutrition, forestry, fisheries, livestock, etc). 5. Provide training focused on the "how to" of gender mainstreaming both within FAO and among member countries based on the SEAGA approach and tools.			
Organizational Result K3 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development			
Indicator	Baseline	Targets (4 years)	Targets (2 years)
K3.1 Number of targeted countries whose agricultural and food security policies, laws and regulations have been revised to address rural gender issues affecting access to productive resources.	6	12	8
Primary Tools 1. Strengthen national government efforts to use gender sensitive information and to formulate, implement, and revise policies and programmes that are gender sensitive, socially inclusive and legally empowering of the rural poor. 2. Assist national governments, civil society organizations and research institutions to enhance gender and socio-economic analysis of emerging issues which have the potential to undermine gender and social equity in food security and rural development. 3. Collect, analyse and disseminate information and statistics on the social and gender equality dimensions of emerging social, economic and environmental issues (e.g. climate change, environmental degradation, bioenergy, population dynamics, emerging diseases (i.e. AIDS), undernutrition, property rights' regimes, and employment opportunities) to support policy-making and implementation processes. 4. Disseminate participatory tools and approaches relevant to agriculture and rural development to member countries and partners through the FAO Participation website and other information channels.			

Organizational Result K4 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work			
Indicator	Baseline	Targets (4 years)	Targets (2 years)
K4.1 Percentage of products/services in FAO workplans that are gender-sensitive.	Percentage to be determined	20%	10%
K4.2 Number of FAO units at headquarters and decentralized offices that monitor programme implementation against gender-sensitive targets and indicators.	20	30%	25%
Primary Tools 1. Upgrade the gender analysis skills of FAO staff at headquarters and decentralized levels using SEAGA-based gender mainstreaming modules or through catalytic technical support. 2. Develop a new monitoring and reporting mechanism which allows divisions and Gender Focal Points to report periodically on gender mainstreaming activities. 3. Facilitate the appointment of senior staff as Gender Focal Points (GFPs) of FAO technical units as an essential mechanism in the Organization's effort to mainstream gender in its technical programme. 4. Advocate for the allocation of regular programme and extra-budgetary resources to ensure commitment and delivery on agreed gender targets.			

**STRATEGIC OBJECTIVE L -
INCREASED AND MORE EFFECTIVE PUBLIC AND PRIVATE
INVESTMENT IN AGRICULTURE AND RURAL DEVELOPMENT**

Issues and Challenges

Volatile food and energy prices, the current financial crisis, climate change and biodiversity loss are among the major threats to global food security, pose a broad range of humanitarian, human rights, socioeconomic, environmental, developmental, political and security-related challenges, and seriously undermine the achievement of the Millennium Development Goals (MDGs). Over the past two decades, public funding of agriculture has declined sharply, in both relative and absolute terms, and at both international and national levels. The share of agriculture and rural development in Official Development Assistance (ODA) declined from 18 percent in 1979 to 3.5 percent in 2004, rising to 5.5 percent in 2007. Improved agricultural productivity will require firm reversal of this reduction in development assistance to agriculture, along with the commitment of increasing amounts of domestic resources to the sector. In 2008, the UN High-level Task Force on Food Security estimated that the share of ODA for food and agricultural development needs to increase to ten percent within five years to boost agricultural production and productivity, especially of the world's 450 million smallholder farms.

In order to achieve the highest possible impact of public and private investments in food, agricultural and rural development, a number of conditions must be met: among others, appropriate policies, strategies and institutions creating an enabling environment supportive of private investment; strict compliance with social and environmental safeguards; state-of-the art formulation of public/private investment programmes and projects; and timely and comprehensive monitoring and evaluation of results and impact. Analysis is needed to increase the viability of investments and to identify barriers to investment options.

With rising untied donor assistance, public financial management needs to be strengthened in the context of medium-term expenditure frameworks, public expenditure reviews and others. With increased amounts invested *via* sector-wide approaches, direct budgetary support and basket funding, aid effectiveness needs to be improved in accordance with the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008). Improvements in the design of concrete investment operations are needed, and a shift from international to national expertise in this design process accomplished. Limited public funding must be applied in core areas to maximize leverage and impact on poverty reduction and food security, and attract private sector funding. Finally, impact-monitoring must be enhanced in many countries, as well as the capacity of staff in ministries and agencies.

Assumptions and Risks

Within the broader external environment:

- Assumption that volatility in producer price levels for food staples in developing countries will not inhibit small producers and agribusiness investors from increasing local food production and processing capacity.
- Assumption that market distortions resulting from agricultural subsidies and non-tariff trade barriers in OECD countries will reduce over time.
- Assumption that the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action (2008) are put into effective practice, resulting in improved coherence between various sources of funding/support to the benefit of the recipient countries.
- Risk that the recent strong momentum for investment at national and international levels is not sustained over time, so that pledges (both from national budgets and ODA) are not converted into actual investment in support of food security and poverty reduction.
- Risk that developing countries do not adopt more effective policies, and institutions to help farmers and agri-businesses take advantage of export opportunities.

At the national level:

- Risk that governments do not have the competency to drive a predictable economic reform agenda that applies public funding to leverage private investment, while reducing private investment risk and transaction costs.
- Risk that governments do not have sufficient capacity and incentives to effectively manage investment projects.

At the institutional level:

- Risk that there is insufficient flexibility in use of resources to meet the specialized investment needs and requests of countries for support to sectoral and policy analysis, investment strategy development and capacity building efforts.
- Risk that skills are not available, or cannot be brought into the organization to support investment- related priorities of countries.

Application of Core Functions to Strategic Objective L

Org Result	A - Perspectives, trend monitoring, assessment	B - Information, knowledge, statistics	C - International instruments	D - Policy advice	E - Tech support, capacity building	F - Advocacy, communication	G – Inter-disciplinary approach	H - Partnerships, alliances
L1	x	x	x	x	x	x	x	x
L2		x			x		x	x
L3		x		x			x	x

Organizational Result L1 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks

Indicator	Baseline	Target (4 years)	Target (2 years)
L1.1 Percentage increase in public expenditure in food and sustainable agriculture and rural development (FSARD) in 10 targeted Low-Income Food-Deficit Countries (LIFDCs)	5 years (2005-09) average of Poverty Reduction Strategy Program (PRSP) expenditure for agriculture	25%	10%
L1.2 Percentage of ODA allocated to FSARD	5.5%	7.5%	6.5%

Primary Tools

1. The provision of targeted FAO expertise and knowledge products (trend analysis, statistics, information and international instruments) in government investment framework formulation.
2. FAO FSARD appraisals, policy advice and interdisciplinary technical support in partnership with governments, donors and International Financing Institutions (IFIs) in the advancement and advocacy of FAO Strategic Objectives and Organizational Results.
3. Develop tools tracking private investment trends in agriculture and business environment to attract additional private investment.
4. Advocacy and communication to mobilize political will and promote global recognition of required actions in areas of FAO's mandate.

Organizational Result L2 - Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture, and rural development investment operations			
Indicator	Baseline	Target (4 years)	Target (2 years)
L2.1 Percentage of Investment Centre Division's person weeks on investment development delivered by national experts	12%	26%	18%
L2.2 Percentage of surveyed countries which have demonstrated at least 70% satisfaction level with FAO-provided capacity building in support for investment	N/A	75%	60%
L2.3 Number of countries receiving FAO support, in which institutional capacity for agribusiness and agro-industries investment has improved for at least 5 of 20 benchmark indicators	N/A	15	5
Primary Tools 1. The provision of FAO-led interdisciplinary capacity building and mentoring of national counterparts in investment cycle management. 2. Collaboration with partner IFIs to increase resource allocation to experiential capacity building in investment cycle management. 3. Development and application of related information and knowledge products including lessons learned from IFI and regional/thematic evaluation studies in support of investment.			
Organizational Result L3 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed			
Indicator	Baseline	Target (4 years)	Target (2 years)
L3.1 Investment funding of FSARD operations	USD 2.8 billion	USD 3.2 billion	USD 3.0 billion
L3.2 Number of countries where a minimum of three public-private partnerships for investment in agro-industries have been established with FAO technical support	N/A	12	4

L3.3 FSARD investment quality rating by partner International Financing Institutions (IFIs)	90% satisfactory at entry; 90% satisfactory at supervision; 85% satisfactory at completion	90% satisfactory at entry; 90% satisfactory at supervision; 90% satisfactory at completion	<i>90% satisfactory at entry; 90% satisfactory at supervision; 88% satisfactory at completion</i>
Primary Tools 1. The integrated provision of FAO interdisciplinary technical, policy and investment cycle management expertise to member countries. 2. The application of innovative approaches to the organization's technical work and support services. 3. Effective partnerships with IFIs and Donors to jointly achieve member country development goals. 4. FAO guidelines and technical support on developing Public Private Partnerships for investment in food and agriculture.			

**FUNCTIONAL OBJECTIVE X -
EFFECTIVE COLLABORATION WITH MEMBER STATES AND
STAKEHOLDERS**

Issues and Challenges

The Organization relies on a variety of services, delivered both in-house as well as in collaboration with members and external partners, in order to achieve results. Many of these services go well beyond the scope of pure administration, touching upon elements directly related to honing strategic direction, leveraging and focusing on comparative advantage, and properly governing and overseeing the totality of FAO operations. In the new FAO results hierarchy, these services provide the enabling environment without which the outcomes of the Organizational Results under the Strategic Objectives cannot effectively be achieved.

Four sets of services have been identified, involving cooperation among a wide-range of organizational units and applied at all levels of FAO's work, to ensure:

- Effective programmes addressing member priority needs are developed, resourced, monitored and reported at global, regional, and national levels.
- Effective and coherent delivery of FAO core functions and enabling services across Organizational Results.
- Key partnerships and alliances that leverage and complement the work of FAO and partners.
- Effective direction of the organization through enhanced governance and oversight.

These four sets of services are defined as Organizational Results under this functional objective.

Assumptions and Risks

- Assumption of continued commitment of all stakeholders and partners to the mission of the Organization, matched by a climate of transparency and trust between members and the secretariat.
- Assumption that a wide range of organizational units will collaborate efficiently and effectively.

Organizational Result X1 - Effective programmes addressing member priority needs developed, resourced, monitored and reported at global, regional and national levels

The Challenge is to ensure that FAO can effectively leverage the available resources – both assessed and voluntary – to address the issues facing members in the areas of its mandate. To do so requires that FAO's programmes be based on a systematic identification of Members' priorities at global, regional and national levels, along with a careful analysis of FAO comparative advantages and capacity vis-à-vis other UN agencies and development partners. The new results-based approach provides the framework and means to sharpen the focus of the Organization's interventions and improve organizational learning so as to contribute to enhanced credibility with members and other stakeholders.

Indicator	Baseline	Target (4 years)	Target (2 years)
X1.1 Number of policy assistance requests to headquarters and decentralized offices which have been met	To be defined second half 2009	+ 20%	Baseline +10%

X1.2 Number of countries where results-based medium term priority frameworks have been adopted, which are aligned with sector policies	0	30	10
X1.3 Number of regions where priority action plans have been formulated, informed in part by NMTPFs and Subregional priority action plans	0	5	5
X1.4 Percentage of extra-budgetary resources mobilised through IFAs	0	20%	5%
X1.5 Percentage deviation between the increase in the FAO biennial budgetary receipts recorded in the audited accounts and the average of the four specialized agencies (ILO, UNESCO, UNIDO, WHO)	To be determined	Maximum 5 % deviation	Maximum 5 % deviation
X1.6 Proportion of headquarters' units and decentralized offices complying with established corporate standards for performance monitoring and operational planning	n.a (new system to be developed)	100%	60%
X1.7 Percentage of donor-funded projects/programmes (including TCP) meeting FAO corporate quality standards during implementation and at the end of each year of implementation	To be determined	95%	80%
Primary Tools 1. Demand-driven policy assistance at all levels (national, subregional, regional, global) in accordance with member priority needs. 2. Results-based national medium term priority frameworks to focus FAO's efforts on national needs, informing and aligned with Organizational Results and Strategic Objectives. 3. Structured and consultative identification, including through Regional Conferences, of areas of priority action at subregional and regional levels. 4. Resource mobilization strategy through a double track approach at global and decentralized levels in support of medium term priority frameworks. 5. Allocation of resources from all sources according to corporate strategies and priorities. 6. Establishment of efficient and effective working arrangements of FAO's network of field offices and headquarters' units.			

7. Implementation of results-based operational planning, monitoring and reporting and creation of necessary staff capacity to apply such practices.
8. Corporate quality assurance framework, including strengthening of monitoring and evaluation and lesson learning.

Organizational Result X2 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results

The purpose of Organizational Result X2 is to provide the necessary means of action to enhance how technical departments and decentralised offices deliver their Organizational Results under Strategic Objectives A to L. This will require effective and coherent delivery of core functions and enabling services, mutual learning and the pursuit of excellence. FAO will provide two sets of Primary Tools that can be conceptually grouped under the following categories:

- those that relate to FAO as a Knowledge Organization
- those that relate to FAO's role in supporting its member countries and stakeholders

The Challenge is to ensure that the world's knowledge of food and agriculture is available to those who need it, when they need it, and in a form they can access and use. Through the first set of primary tools, FAO emphasizes its dual role as both a provider of knowledge and a facilitator of knowledge flow within the global community.

The Organization is in need of a coherent approach for statistics, as called for in the recent evaluation, and will implement adequate measures in order to achieve this. Communication and advocacy are at the heart of FAO's functions as a Knowledge Organization. The organization must communicate internally and externally in a timely and consistent way at global, regional and country level – demonstrating leadership and rallying support for the global drive to eradicate hunger. This should lead to an improved understanding by policy makers of the need for development policies that promote agriculture and the rural sector, and lessen food insecurity and poverty, including the need to mobilise increased resources. There is also the need to ensure that the role and contribution of FAO is recognized among policy makers and those who can influence them, including the general public.

The second set of Primary Tools will contribute to the improvement of the delivery of services to member countries: Strengthening FAO's role as a facilitator for capacity building/development is an important part of this, in line with the Paris and Accra Declarations to enhance national ownership. The Organization must play a catalytic role in partnership with national and international actors by delivering high-quality integrated Capacity Building/Development support grounded in national, regional and global plans that combines normative, operational and convening activities. Guided by a corporate capacity building/development strategy, FAO will facilitate a sustainable capacity base in member countries and regions relating to food security, agriculture and rural development.

FAO must effectively utilize the knowledge available within the organization as well as its partners to support members and their Regional Economic Integration Organizations (REIOs) in the areas of policy advice, capacity building in policy formulation and implementation, institutional strengthening and restructuring, country policy intelligence and information, policy monitoring and field programme development. To ensure coherent, coordinated and high quality policy assistance requires a corporate approach supported by appropriate mechanisms for greater interdepartmental collaboration.

One important tool to implement policy is legislation – and the organization has recognized the need to improve the coherence, consistency and timeliness of legal advice and legal services provided to governing bodies and international instruments. Interdisciplinary work is carried out across a network of geographical locations (headquarters, regional, subregional, country and liaison offices) requiring due attention to coherent action, while allowing for sufficient autonomy and responsiveness at all levels. Similarly, technical support is provided from the most effective source, including through outsourcing in accordance with comparative advantages.

Indicator	Baseline	Target (4 years)	Target (2 years)
X2.1 Percent of departmental staff and non-staff resources deployed to Strategic Objectives led by other departments	13%	20%	16%
X2.2 Percent of field projects/ programmes for which technical oversight has been delegated to decentralized offices	0	30%	20%
X2.3 Share of technical oversight and support outsourced to certified partners	0	20%	10%
X2.4 Percent of products and services related to information and knowledge management and statistics, and associated information systems, implemented in accordance with FAO's corporate strategy	To be determined	To be determined	<i>To be determined</i>
X2.5 Percent products and services related to information systems and technology implemented in accordance with FAO's corporate strategy	60% (to be confirmed through survey)	100%	80%
X2.6 Average monthly traffic to www.fao.org	3.614 million visits per month	3.965 million	3.890 million
X2.7 Average monthly citations of FAO in print/electronic media monitored by Meltwarer service	4,056 citations per month	4,220	4137
X2.8 Percent of capacity building products and services implemented in accordance with FAO's corporate strategy	To be determined	To be determined	<i>To be determined</i>
X2.9 Percent of policy assistance products and services implemented in accordance with Policy Assistance Node	To be determined	To be determined	<i>To be determined</i>

Primary Tools

1. Instruments for ensuring interdisciplinary approaches.
2. Technical quality assurance through optimal use of internal and external resources for technical oversight and support.
3. Development and promotion of corporate approaches in the areas of information and knowledge management, statistics and information systems, and technology.
4. Strategies and tools to ensure coherent approaches in the areas of communication and advocacy.
5. Coherent and effective communication and advocacy programmes implemented at all levels.
6. Corporate strategy, tools and methodologies to enhance FAO support to capacity building at global, regional and national levels.
7. Coherent and well-coordinated policy assistance to member countries and Regional Economic Integration Organizations.
8. Programmes to enhance coordination and consistency in delivery of legal and legislative advice.
9. Tools to collect, maintain and disseminate information on the creation, governance and use of international instruments.

Organizational Result X3 - Key partnerships and alliances that leverage and complement the work of FAO and partners

The challenge is to mobilise the world's best knowledge and capacities to support FAO's leadership in the international governance of agriculture and agricultural development. Such knowledge and capacities do not reside only in FAO, and need effective collaborative linking of the various relevant institutions in support of shared goals. FAO's ability to fulfil its mandate can be leveraged by partnerships and alliances that reinforce its credibility as a knowledge organization and raise its profile in global fora, adding value through combining effort. To meet the needs of its members, FAO needs to know where the knowledge for sound stewardship in the areas of food, agriculture and nutrition can be found and accessed at the global, regional, national and local levels. This can be achieved only through well-constructed, durable and sustainable strategic partnerships. Partnerships also generate potential for cost savings and economies of scale, especially in the current changing aid climate.

Indicator	Baseline	Target (4 years)	Target (2 years)
X3.1 Number of partnerships implemented in line with the FAO organization-wide strategy on partnerships	To be determined	To be determined	<i>To be determined</i>
X3.2 Number of countries where FAO is participating in UN partnerships that are aligned with the FAO strategy on partnerships with the UN system	To be determined	To be determined	<i>To be determined</i>
X3.3 Proportion of collaborative arrangements with the Rome-based agencies, WFP and IFAD, that are aligned with joint	To be determined	To be determined	<i>To be determined</i>

policy guidance on collaboration			
X3.4 Number of civil society groups engaged in global governance and/or national reporting mechanisms and/or collaborating in technical programmes and activities of FAO	To be determined	To be determined	<i>To be determined</i>
X3.5 Number of partnership and consultations with the private sector in line with established FAO strategic guidelines at the global, regional and national level	To be determined	To be determined	<i>To be determined</i>
X3.6 Percent of FAO evaluations and surveys on partnerships that rate FAO contributions in partnership arrangements as positive	<i>To be determined</i>	<i>To be determined</i>	<i>To be determined</i>
Primary Tools 1. Organization-wide partnership strategy, and specific partnership strategies, developed and implemented at corporate and regional, sub-regional and country level. 2. Guidelines for formal and informal partnerships, incorporating lessons learned. 3. Engagement in increased UN system coherence at all levels, including in high-level global decision-making fora and FAO's contribution to country programming instruments (e.g. UNDAF Joint Programming, Joint Programmes) within the UN country teams. 4. Joint document entitled "Directions for Collaboration among the Rome-based Agencies" and related implementation plans. 5. Partners in civil society engaged through new consultative mechanisms. 6. Guidelines and management tools for partnerships with the private sector. 7. FAO representation at external meetings.			
Organizational Result X4 – Effective direction of the Organization through enhanced governance and oversight			
The Challenge is to effectively service FAO's governing and statutory bodies and implement their decisions in a responsive and transparent way. FAO's programmes and operations require oversight to help the organization achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and internal governance processes. An environment of integrity throughout the Organization's operations is promoted through the detection, investigation and prevention of fraud and unsatisfactory conduct, development of lessons learned, and procedural and policy changes needed to enhance integrity within FAO.			
Indicator	Baseline	Target (4 years)	Target (2 years)
X4.1 Percent of the Organization's budget (Regular Programme accruing to the Evaluation Function	0.5%	1.0%	0.8%

X4.2 Percent of accepted evaluation recommendations implemented within the agreed timeline	50%	100%	80%
X4.3 Percent of audit recommendations made by AUD that are accepted and implemented by management	70%	90%	80%
X4.4 Percent of all complaints/allegations of fraud and misconduct that are processed and/or investigated within set timeframes	80% reviewed and dealt within 6 months from the receipt date	80% of an increasing number of complaints/allegations received	<i>80% of an increasing number of complaints/allegations received</i>
X4.5 Percent of Conference and Council decisions completed by FAO within prescribed deadlines.	75%	100%	80%
X4.6 Percent of documents for governing bodies produced according to statutory requirements	70%	100%	80%
Primary Tools 1. A Charter for the Evaluation Function in FAO. 2. A Charter for the Office of the Inspector-General and development and implementation of a comprehensive risk based audit plan. 3. A case management system to identify, process and/or investigate in a timely manner all complaints of fraud and misconduct in the programmes and operations of the organization. 4. A comprehensive plan for the satisfactory servicing and transparent conduct of meetings of Governing and Statutory Bodies. 5. The timely implementation of amendments to the Basic Texts relating to the role of the Governing Bodies.			

**FUNCTIONAL OBJECTIVE Y -
EFFICIENT AND EFFECTIVE ADMINISTRATION**

Issues and Challenges

The IEE described FAO as a heavy and costly bureaucracy characterized by excessive transaction-control processes, high-levels of overlap and duplication, and low-levels of delegated authority. It noted that FAO's administrative structure excessively focuses on ex-ante controls and does not emphasize delegation, which leads to a negative impact on efficiency and staff motivation. FAO will meet its challenges by more explicitly undertaking risk assessment of its administrative activities and processes. This work may be expected to point towards changes in ways of working, such as more flexible ways of executing management and administrative services to meet high standards of efficiency and quality, while discharging fiduciary responsibilities. Clear lines of authority, responsibility and accountability are required, duly supported by information systems and training, especially in a context where resources - and decisions on their use - are increasingly decentralized to locations where projects and programmes are implemented. As a knowledge organization, FAO must attract and retain high-quality and well-motivated staff, providing a learning environment in which people can grow and improve their professional and managerial skills.

Assumptions and Risks

- Assumption that projects related to the reform of administrative and management systems in the Immediate Plan of Action are resourced and executed.
- Risk that lack of required resources would impede implementation.
- FAO's ability to implement the changes required to respond to the IEE and achieve Functional Objective Y would require culture change in the Organization and in the way FAO works. Risk that expectations for immediate change may overwhelm the Organization's capacity to adjust.
- In a resource-constrained environment, the various reform processes will require prioritisation and inter-dependencies and potential conflicts will need to be managed carefully.
- Risk that "silo" mentality, entrenched attitudes, inertia, and fragmented processes may inhibit ability to change.
- The corporate restructuring will involve the integration of services that were formerly separate. This will imply transitional costs that need to be minimised.
- Risk that lack of transition funding to meet costs for improvements to administrative services.

Organizational Result Y1 - FAO's support services are recognised as client-oriented, effective, efficient and well-managed

Indicator	Baseline	Target (4 years)	Target (2 years)
Y1.1 Percentage of corporate services covered by a Service-Level Agreement (SLA)	0%	40%	20%
Y1.2 Share of services benchmarked	To be determined, based on inventory of services	40%	20%

Y1.3 Percentage of processes and procedures streamlined	To be determined, based on inventory of services	40%	20%
Y1.4 Introduction of formal internal control reporting	None	Introduction of formal internal control reporting.	<i>Preparation underway</i>
Y1.5 Improvement in client satisfaction	To be determined	75% satisfied	<i>50% satisfied</i>

Primary Tools

1. Efficient and effective monitoring of all service-related contracts with external suppliers.
2. Efficient and effective monitoring of all internal services.
3. Training of staff to implement Service-level Agreements (SLAs), client surveys, and to gather data for benchmarking.
4. Effective communication with clients.
5. Availability of expertise to assist in gathering data for benchmarking database.
6. Mechanisms to manage user feedback and implement lessons learned.
7. Introduction of best practices and recognised standards for continuous process improvement.
8. Yearly client surveys.

Organizational Result Y2 - FAO is recognised as provider of comprehensive, accurate, and relevant management information

Indicator	Baseline	Target (4 year)	Target (2 year)
Y2.1 FAO receives unqualified annual external audit opinion	FAO currently has biennial unqualified external audit opinion	Annual unqualified external audit opinion	<i>Biennial unqualified external audit opinion</i>
Y2.2 Percentage of stakeholder organizational units utilising information retrieved from the administrative corporate management information system on a regular basis	To be determined (administrative management information is currently distributed through dispersed and ad-hoc means)	80%	<i>Mechanism is established to collect and report on usage of statistics of administrative corporate management information</i>
Y2.3 Improved ability to produce final reports on corporate information through use of standard reporting tools	To be determined (number of final reports on corporate information that require ad-hoc modification)	Reduction in the number of reports that require ad-hoc modification (dependent on establishment of baseline).	<i>Reduction in the number of reports that require ad-hoc modification (dependent on establishment of baseline)</i>

Primary Tools

1. Ongoing preparation and communication of relevant and timely financial-performance information to managers, members, and donors.
2. Corporate management information system.
3. Procedures to manage the administrative information that reflect user feedback.
4. Establishment of relevant institutional financial policies and procedures in accordance with IPSAS requirements.

5. Accurate, complete and timely recording of accounting and financial information in FAO accounts.

Organizational Result Y3 - FAO is recognised as an employer that implements best practices in performance - and people-management, is committed to the development of its staff, and capitalises on the diversity of its workforce

Indicator	Baseline	Target (4 years)	Target (2 years)
Y3.1 Percentage of managers who completed the FAO Core Managerial Training programme (% of all P5-above)	0%	50%	19%
Y3.2 Competency improvement ratios (based on % of staff taking part in PEMS and their increase in competency rating)	0%; To be determined (competency ratios are not yet in place)	90% of staff participate in PEMS; 50% increase in competency ratings	85% of staff participate in PEMS; 20% increase in competency ratings.
Y3.3 Percentage increase in mobility in workforce measured by a reduction of staff members in same grade or post for the last eight years	18%	11%	16%
Y3.4 Improved gender representation at all levels measured by proportion of female staff by category	GS: 64%; P: 33%; D: 15%	GS: To be determined; P: 38%; D: 20%	GS: To be determined; P: 36%; D: 18%
Y3.5 Percentage number of Member countries that are equitably represented	61%	70%	64%
Y3.6 Increased client satisfaction with HR policies	To be determined	75%	50%

Primary Tools

1. Core Management Training Programme for all FAO managers to undertake within a 24 months period from appointment, which includes development, management, leadership, and coaching programmes.
2. Staff performance evaluation system linked to work plans, competencies, and a rewards and recognition system.
3. Communication strategy for staff and managers.
4. A function and system to monitor, administer, and report on staff mobility to all departments/offices.
5. HR policies that contribute to implementing best practices in people-management.
6. Yearly client surveys.

The Director-General's
Programme of Work and Budget
2010-11

I. Programme of Work and Budget 2010-11

A. INTEGRATED PRESENTATION OF RESOURCES

36. As mandated by Conference in the reform of programming and budgeting under the Immediate Plan of Action for FAO Renewal, the PWB 2010-11 proposes a biennial Programme of Work funded from the assessed budget and an estimate of extra-budgetary funding. The Programme of Work is based on the requirements to achieve the two-year targets under the results frameworks presented in the Medium Term Plan for the Strategic Objectives and Functional Objectives, along with associated requirements for country offices, the Technical Cooperation Programme, and Capital and Security Expenditure.

37. This presentation is a change from past practice. Since the 1998-99 biennium, the PWB document has presented a “Programme of Work” funded from assessed contributions and from support cost resources and other income that was largely at the disposal of the Organization and managed closely with the Regular Budget appropriation. The membership was also informed of the level of other expected extra-budgetary voluntary contributions, split between those that would provide direct support to implementation of the Programme of Work, and those providing technical and emergency (including rehabilitation) assistance to countries for clearly defined purposes, consistent with the policies, aims and activities of the Organization.

38. The IEE found that the presentation of a “Programme of Work” which includes support costs and other income was confusing and recommended that the distinction between the “Programme of Work” and the net budgetary appropriation should be eliminated. Furthermore, other extra-budgetary funds, which have grown to be about half of the resources at the disposal of the Organization, were not allocated with reference to the requirements in the existing Strategic Framework and Medium Term Plan.

39. As noted above, this PWB presents an integrated view of total resource requirements to carry out the Programme of Work directly linked to the MTP. It is necessary to recognise the major funding components adding up to form this total, as they follow different constitutional mandates, planning cycles and procedures.

40. One source of funding is the assessed contributions by Members, based on the agreed scale of contributions (and estimate for miscellaneous income), which are proposed under the *Budgetary Appropriations Resolution* to be adopted by the Conference. The other main source stems from extra-budgetary contributions provided by Members and other partners (e.g. World Bank, Consultative Group on International Agricultural Research) on a voluntary basis through direct support to the Organization, or through technical and emergency (including rehabilitation) assistance to governments for clearly defined purposes linked to the MTP.

41. As highlighted in the Immediate Plan of Action⁴, in order to improve prioritisation, effectiveness and oversight of FAO’s work, assessed contributions and extra-budgetary resources will henceforth be handled as a unified work programme. Through the results-based approach, these resources will be subject to the same planning and oversight arrangements, with encouragement to donors to reduce earmarking and increase pool funding of voluntary contributions. The Council will propose the Programme of Work, the level of assessed budget and provide an estimate of extra-budgetary funding to the Conference, with the budget divided between an administrative budget and a programme budget presented in the results-based framework.

42. While the level of assessed contributions will be known at the beginning of the biennium based on the Conference-adopted Budgetary Appropriations Resolution, the amount, timing and

⁴ C 2008/4 para. 33

earmarking of voluntary extra-budgetary resources will be subject to some uncertainty that will need to be taken into account during the implementation of the Programme of Work.

43. The presentation of planned resources in this PWB 2010-11 builds on the approach agreed in the IPA. *Table 1* provides a summary of 2010-11 resource requirements by Objective and total resources.

44. The *Net Appropriation* reflects the requirements, before cost increases, proposed to be funded from assessed contributions by Members under a ‘maintenance budget’. The maintenance budget preserves purchasing power of the assessed contributions by updating unit costs through the estimation of cost increases and includes resources for critical incremental requirements under *Capital and Security Expenditure*. Functional Objective Y reflects the administrative budget.

45. The *Voluntary Contributions - Core* shows the requirements for extra-budgetary resources that are managed closely with the net appropriation, including:

- core activities related to expressed member priorities that could not be accommodated under the proposed net appropriation at maintenance level;
- non-project related extra-budgetary resources which were included as part of the “Programme of Work” in previous PWBs;
- those Trust Funds projects previously categorised as “Direct Support to the Regular Programme”; and
- resource requirements for the 2010-11 costs and savings stemming from the implementation of the Immediate Plan of Action⁵, as described in *Section II.A*.

46. *Voluntary Contributions - Other Extra-budgetary* resources are estimates of voluntary contributions for programmes and projects for technical cooperation with member countries, and emergency and rehabilitation assistance, contributing to the results frameworks in the Medium Term Plan.

47. *Annexes I and V* provide a breakdown of resources by region. *Annex II* provides a further breakdown of resources by Strategic and Functional Objectives under the different funding categories and type. *Annex III* provides a breakdown to the Organizational Result level. *Annex VIII* provides an overview of total resource availability by income type, including a comparison with 2008-09 resources.

⁵ The IPA costs and savings are shown without Project Support Costs

Table 1: 2010-11 Budget Proposal by Strategic/Functional Objective (in USD 000 at 2008-09 rates)

Strategic/Functional Objective	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
A - Sustainable intensification of crop production	47,579	16,237	175,852	239,668
B - Increased sustainable livestock production	30,760	6,280	148,711	185,751
C - Sustainable management and use of fisheries and aquaculture resources	53,963	35,219	52,466	141,648
D - Improved safety and quality of food at all stages of the food chain	23,978	6,832	11,330	42,141
E - Sustainable management of forests and trees	41,361	44,744	33,341	119,445
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	51,648	31,741	53,096	136,486
G - Enabling Environment for Markets to Improve Livelihoods and Rural Development	39,208	6,199	45,383	90,790
H - Improved food security and better nutrition	57,264	9,601	80,285	147,151
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7,410	5,077	367,140	379,627
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	9,738	2,879	9,824	22,441
L - Increased and more effective public and private investment in agriculture and rural development	35,786	43,146	8,625	87,556
X - Effective collaboration with member states and stakeholders	199,094	27,098	9,762	235,955
Y - Efficient and effective administration	101,554	38,877	8,834	149,266
FAOR - FAOR Programme	77,343	1,699	12,500	91,542
TCP - Technical Cooperation Programme	109,221	0	0	109,221
Contingencies	600	0	0	600
Capital Expenditure	30,604	0	0	30,604
Security Expenditure	23,955	188	601	24,744
Total	941,067	275,817	1,017,751	2,234,635

II. Impact of Reforms in the Organization

A. IMPLEMENTATION OF THE IMMEDIATE PLAN OF ACTION (INCLUDING THE AGREED RECOMMENDATIONS IN THE ROOT AND BRANCH REVIEW)

48. By its Resolution 1/2008, the 35th Special Session of the FAO Conference in November 2008 adopted the Immediate Plan of Action (IPA) for FAO Renewal, to be implemented over the 2009-11 period. It also decided that: “*implementation of the Immediate Plan of Action in 2009 required funding by extra-budgetary contributions, and that its funding for 2010-2011 would be treated under the Programme of Work and Budget*”.

49. The content of the MTP and this PWB is shaped in many ways by the dispositions in the IPA: by the reflection throughout of results-based management principles *via* the results frameworks under the Strategic and Functional Objectives; by the integrated approach taken to presenting resource requirements; and by taking account, as explained below, of the impact of remaining IPA actions still to be implemented in the 2010-11 biennium.

50. At the time of writing, implementation of the IPA was only at mid-course in the first year of the three-year period during which this complex process was expected to unfold. During 2009, progress has been reported regularly to the Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE) and its Working Groups, as well as the FAO Council. The CoC-IEE will report to the Conference the situation regarding the IPA implementation closer to its November 2009 Session.

51. Implementation of the IPA has proceeded based on a number of aggregating “projects” (i.e. each one grouping a number of closely related actions) under the responsibility of teams established by management. While, depending on the scope – and required resource intensity – of these projects, much has been achieved already, a great deal remains to be done. Therefore, as was the case during the year 2009, completion of the IPA is to be a major feature of the forthcoming 2010-11 biennium.

52. In April 2009, the management consultants Ernst and Young released their report at the conclusion of the IEE-recommended Root and Branch Review (RBR) of mainly administrative processes. To facilitate understanding of the varied and often interlocking reform measures and actions underlying both the IPA and the accepted recommendations from the RBR, an integrated approach has been adopted, as agreed by the Council⁶, by placing, as appropriate, RBR-related actions under relevant IPA projects.

53. The IPA and the consultants’ report on the RBR contained due analysis of financial implications in terms of additional costs and/or savings of either one-time or recurrent nature. These estimates have been progressively refined in the light of actual progress in IPA implementation so far, and after taking account of eventual synergies between IPA and recommended RBR actions.

54. This section of the PWB document provides a consolidated picture of the implications for 2010-11, as assessed by early July 2009, and presents the proposed funding of the IPA through a combination of net Appropriation and voluntary contributions.

55. *Table 2* provides an overview of the IPA actions at the IPA project level, with the Root and Branch recommendations shown separately. The integration of the RBR actions into IPA projects is in progress and is subject to separate reporting to the CoC Working Groups, along with further detail on the items within each project. It should be noted that in all remaining tables of the document, the IPA- and RBR-related resources are shown within the relevant part of the results hierarchy and/or organizational structure, forming part of the integrated resource presentation of the PWB 2010-11.

⁶ CL 136/REP para 69

Table 2: 2010-11 Immediate Plan of Action Costs and Savings estimates (in USD 000 at 2008-09 rates)

IPA Project	Net Appropriation	Core Voluntary			Total
		Investment Cost	Recurrent Cost	Recurrent Savings	
1 - Governing Body Reform	0	1,200	3,820	0	5,020
2 - Oversight	1,600	0	300	0	1,900
3 - Reform of Programming, budgeting and Results Based Monitoring	0	400	100	0	500
4 - Resource Mobilization and Management	0	700	700	0	1,400
5 - Technical Cooperation Programme	(900)	280	0	0	(620)
6 - Decentralization	1,000	400	3,200	0	4,600
7 - Headquarters Structure	0	250	0	0	250
8 - Partnerships	0	180	1,000	0	1,180
9 - Reform of administrative and management systems	0	0	0	0	0
10 - FAO Manual	0	0	0	0	0
11 - IPSAS and Oracle	0	0	0	0	0
12 - Enterprise risk management	0	2,000	0	0	2,000
13 - Culture Change	800	3,300	0	0	4,100
14 - Human Resources	800	180	17,710	0	18,690
15 - IPA - Governing body follow-up	0	0	0	0	0
16 - IPA Management follow-up	0	4,660	0	0	4,660
Root and Branch Review	8,750	6,235	5,508	(4,410)	16,083
Total	12,050	19,785	32,338	(4,410)	59,763

56. Of the overall amount required, USD 12 million is proposed to be met within the net Appropriation for 2010-11. Two items shown under the corresponding column cover an increase in Evaluation-related budget (USD 1.6 million, project 2) and the establishment of the Ethics function (USD 0.8 million, project 13) which have been accommodated despite the maintenance level inherent in the Appropriation.

57. TCP-related savings (project 5) have been reflected into the net Appropriation and were re-programmed for use as TCP projects. Similarly, “delaying” savings of USD 17.4 million have been re-allocated within the technical and non-technical departments to priority activities under the new results framework, including for: statistics, Right to Food, EMPRES, livestock, climate change, fisheries and forestry.

58. Increased requirements for Capital Expenditure estimated at USD 10.6 million are also shown in the net Appropriation column (projects 6, 14 and Root and Branch Review), as further outlined in *Section III.A(2)*.

59. The remaining requirements, amounting to USD 47.7 million, are proposed for funding under voluntary contributions⁷.

B. NEW HEADQUARTERS STRUCTURE

60. The IPA called for a comprehensive restructuring of FAO headquarters, to be initiated in 2009 for completion by 2012. It included a tentative revised organizational structure at headquarters, with broad agreement in principle on the “apex” features of a new organigramme. More detailed elaboration of the structure remained to be carried out, based on close consultations between Members and management. This had also to take account of the recommendations from the Root and Branch Review (available at end-April 2009) and the finalization of the results frameworks in the draft Medium Term Plan.

Process

61. The refinement of the structure and mandates of offices has involved both the Secretariat and the CoC-IEE. The Secretariat submitted two comprehensive analytical documents to the joint meetings of Working Groups I and III, with functional statements for the major units as well as many clarifications in response to queries from Members. This work was done with the understanding that consolidated proposals would be included in the PWB 2010-11.

62. Internally, the IPA project on headquarters structure, under the leadership of the Deputy Director-General and involving the Senior Management Team-IPA (SMT-IPA), was tasked with coordinating the supportive functional analysis; defining the roles and responsibilities of the new units at the apex level of the structure, including the two Deputy Directors-General; specifying the roles and divisional structures within departments; and identifying and analysing synergies and opportunities for collaboration between units and across departmental boundaries.

63. This work was guided by the principles for restructuring, as outlined in paragraph 46 of the IPA, in brief: ensuring manageable spans of control; consolidation of units and reducing silos; integration and representation of decentralized offices in senior management decision-making processes; flexible, delayed structures; effective development and use of human resources; management by results, delegation and accountability; cost-effective decisions on locations, and where possible sharing services with other UN agencies and outsourcing.

64. The proposed organigramme stemming from this extensive process of review and discussion is provided in *Annex IX*. Furthermore, *Annex IV* provides an overview of resources by department under each objective, and *Annexes VI* and *VII* provide an overview of resources by organizational unit for, respectively 2010-11 and 2008-09.

65. Some further analyses are underway (e.g. to clarify the administrative and substantive roles among ODG, the DDGs, the ADG Corporate Services, OSP and OCE), the results of which cannot as yet be taken into account in this PWB, so that further changes may need to be reflected at a later stage.

Main features

66. The new structure reduces to seven the number of direct reporting lines to the Director-General. A new executive management team will be led by the Director-General as chief executive officer and include, pending further analysis, the two Deputy Directors-General, representing the knowledge base of the Organization and the operational aspects of its work. This team

⁷ If funded through voluntary contributions, the approved support cost policy would apply.

will be more flexible, while having the responsibility, authority, and functional scope to ensure that decisions on all aspects of the Organization's work are enacted in a timely and effective manner.

67. Among the units reporting to the Director-General are: the Office of Corporate Communications and External Relations; the Office of Strategy, Planning and Resources Management and, with also a direct reporting line to governing bodies, the Office of Evaluation guided by a Charter approved by Council. These are new offices in conceptual terms, while generally incorporating staff from a range of existing units, including the Office of UN Coordination and MDG Follow-up, and the Office of Programme, Budget and Evaluation, which are abolished. While the Ethics Officer will be administratively linked to the Legal Office, the officer will report, and be functionally responsible to, the Director-General. The Office of the Inspector General will continue its present mandate.

68. The DDG Operations is to provide strategic direction to, and oversight over: the Corporate Services and Finance Department, the Technical Cooperation Department, and all decentralized offices. This is with a view to ensuring the required environment for delivering the Organization's results, including responsibility for Enterprise Risk Management. With respect to decentralized offices, the DDG Operations is to be assisted by the Office of Support to Decentralization (stemming from the ex-OCD). In the wake of the Root and Branch Review, a CIO (Chief Information Officer) division is to report to this DDG.

69. The DDG Knowledge is to provide strategic direction to, and oversight of, the five technical departments of the Organization, fostering integration of technical knowledge and sharing of information, and providing incentives for cross-departmental work. The DDG Knowledge is supported in this work by the Office of Knowledge Exchange, Research and Extension, regrouping staff from various units.

70. The two DDGs will work together to ensure a coherent and joined-up approach to achieving Organizational Results, as well as the resolution of cross-organizational issues.

71. The departmental structure under the apex takes account of functional analyses undertaken in 2009 and will be further informed by ongoing analyses and implementation of the IPA and RBR recommendations. The changes in the proposed departmental structure compared with the current organizational structure can be summarised as follows:

- The Knowledge and Communication Department and the Department of Human, Financial and Physical Resources will be abolished.
- A new Corporate Services and Finance Department will be established and progressively built over the biennium from: most of the Department of Human, Financial and Physical Resources Department (AF); parts of the Programme and Budget Service (PBEP), specifically functions related to financial forecasting and expenditure performance against budget; and the major part of the Conference Council and Protocol Affairs Division (KCC).
- The Technical Cooperation Department will eliminate the Field Operations Division (TCO). Some of the latter division's activities will be absorbed into a new Unit for Monitoring and Coordination of Field Activities, attached to the Office of the ADG and others will be carried out by an expanded Policy and Programme Development Support Division (replacing the former TCA).
- The Natural Resources Management and Environment Department will continue to focus on the sustainable use of natural resources, coordination of genetic resources for food and agriculture and environmental aspects, including climate change and the challenges and opportunities of bioenergy. The Research and Extension Division will be eliminated and its functions transferred to the Office of Knowledge Exchange, Research and Extension.
- The Agriculture and Consumer Protection Department, and the Economic and Social Development Department will retain their current divisional structures, while significant

changes will be implemented below the divisional level by adopting more flexible modalities, facilitated by delayering.

- The Fisheries and Aquaculture Department and the Forestry Department will reduce the number of divisions from three to two, while keeping to their existing mandates.

Areas of significant change

72. Four structures and functions that play a crucial role in supporting a more effective and efficient Organization are highlighted and will undergo progressive implementation during 2010-11.

Corporate Services and Finance Department

73. The structure of this department will continue to be fine-tuned throughout the biennium in line with the Root and Branch Review recommendations, to maximise its capacity to provide support services to Members and staff.

74. In order to reduce the number of units directly reporting to the ADG, it is proposed to transfer the Credit Union's administrative reporting line to the Finance Division, while consideration is also being given to transfer the Medical Service to the Human Resources Management Division, and to revisit the reporting arrangements for headquarters and field security. Further adjustments to the structure may be progressively considered, such as in the placement of the Registry and Archives functions, and rearrangement of some aspects of the human resources management function.

75. In line with the Human Resources (HR) management strategy being put in place under the IPA and set out in Functional Objective Y, the modernisation of the HR function will be an intensive and continuous process over the next two biennia. Reform will take place in a phased approach with detailed results-based work plans with indicators of achievement and targets that enable measurement of progress and oversight, and which dovetail with other areas of IEE follow-up, including the Root and Branch Review and culture change in the Organization.

76. The headquarters portion of the Shared Services Centre will be progressively downsized, through transfer of functions to the SSC hub in Budapest (e.g. some areas of procurement work) or to other headquarters divisions (e.g. the Payroll Unit will be transferred to the Human Resources Management Division in 2010).

77. A significant new initiative is the creation of a Business Improvement Unit. This unit will be responsible for drawing together wide-ranging work on streamlining and process improvement, tapping into the knowledge of FAO staff in all locations and taking forward-looking initiatives. It will also be responsible for an overhaul of the FAO Manual, aiming at a simplified framework, so that staff in all locations can understand and comply with FAO's rules and regulations. Communication with staff will play a major part in this process. The unit will play a key role in ensuring that audit and evaluation recommendations are put into operation, that governing bodies' and the UN Joint Inspection Unit's guidance are implemented, and that feedback loops are created. The Business Improvement Unit will also be responsible for standardising, and keeping inventories of Service Level Agreements.

78. The Root and Branch Review recognised that its recommendations concerning the finance and budget workstream implied a major transition, and that the timing for implementation of the proposed new planning and budgeting model would need to fit within a comprehensive plan over several years. The envisaged transfer of parts of the Programme and Budget Service (PBEP) to the Finance Division will, therefore, be deferred until 2011.

Office of Knowledge Exchange, Research and Extension

79. The new Office will assist the DDG Knowledge on matters related to knowledge exchange, research and extension. It will interact closely with all technical units and decentralized offices, making use of appropriate mechanisms to that effect (working groups, knowledge networks, e-learning, etc.). The Office will lead application of Core Function b) stimulating the generation,

dissemination and application of information and knowledge, and e) providing technical support to promote technology transfer and build capacity.

80. In fulfilling its role, the Office will develop and disseminate normative frameworks and guidelines and facilitate the development and adoption of strategies, policies, methodologies, and standards in knowledge sharing, technology transfer and capacity building. It will facilitate the collection and sharing of technical information via cross-media, multilingual, interactive publishing, and the preservation of FAO's institutional memory in knowledge repositories. It will assist countries in the development of efficient, effective and sustainable national agricultural research and extension systems, and the strengthening of linkages between them and the agricultural producers for the effective assessment, adaptation and adoption of appropriate technologies in agriculture, forestry and fisheries. This will include close interactions with global entities in agricultural research for development such as the Global Forum on Agricultural Research (GFAR) and the Consultative Group for International Agricultural Research (CGIAR).

Role of the CIO Division

81. The consolidation of information systems activities into a single division under the responsibility of a Chief Information Officer (CIO) responsible and accountable for delivery of Information Systems (IS) and Information Communications and Technology (ICT) services, is in direct response to a major RBR recommendation aimed at reducing fragmentation and duplication. The CIO is to be the principal point of contact for provision of services in these areas and would report directly to the Deputy Director-General (Operations).

82. The vision and architecture for information systems would be developed and kept under review by this division, ensuring effective consultation and support for consistent approaches. The CIO Division will in fact decide on the best common ICT infrastructure, as well as corporate software design, development, and maintenance to insure compatibility with other systems in the Organization. The information systems' needs of departments and decentralized offices will be addressed through the close interaction of an IT/IS officer with technical experts. These out-posted officers will report to the CIO Division, while working closely with the unit in which they are deployed. Similar arrangements would apply to regional and subregional offices.

83. Therefore, within the broad area of information management, the information system and technology aspects of data management will be planned, developed and managed through the CIO Division to ensure – at an enterprise level – integrity, integration, inter-operability, security and accessibility across administrative and technical information domains. Overall substantive responsibility and data, information systems and business process ownership would remain in the concerned departments or offices. Final products and content management would also remain under the responsibility of technical departments which will provide needs assessments to the CIO Division, collaborate with the development of the products and endorse the products upon receipt.

Responsibilities for corporate resource mobilisation

84. The responsibility for corporate resource mobilisation will be divided between the Office of Strategy, Planning and Resources Management (OSP) and the Policy and Programme Development Support Division (TCS) in the Technical Cooperation Department.

85. OSP will develop, monitor and report on the corporate resource mobilisation strategy and policy, including Impact Focus Areas. It will manage overall resource requirements (assessed and voluntary) for all activities of the Organization under the Medium Term Plan and the integrated Programme of Work and Budget, and monitor and report on corporate programme implementation.

86. TCS will coordinate and support implementation of the corporate resource mobilisation strategy. It will manage donor relationships and lead fund-raising in Rome and in Capitals; support field offices in their fund-raising efforts; develop and promote innovative extra-budgetary funding and implementation arrangements; ensure a good quality pipeline for extra-budgetary funding of technical cooperation; contribute to the field programme management in monitoring all phases of the project and programme cycle; support budget holders in monitoring the results of extra-budgetary-funded

projects and activities of the field programme within the corporate framework on results monitoring and reporting.

C. POST CHANGES

87. The PWB 2010-11 staffing proposals reflect the full impact of the decisions on FAO Reform taken to date by the governing bodies and include some additional post action proposals as put forward by departments and offices. *Table 3* provides an overview of the evolution of budgeted posts by location and category from the PWB 2008-09 to the PWB 2010-11.

Table 3: Evolution of posts (post counts by grade category and location)

Grade Category	PWB 2008-09	Change		PWB 2010-11	% change from PWB 2008-09
		Efficiency Savings	Further Implement		
Headquarters					
Professional and above	910	(24)	4	890	(2.2%)
General Service	798	(9)	(3)	786	(1.5%)
Total HQ	1,708	(33)	1	1,676	(1.9%)
Decentralized					
Professional and above	511	0	17	528	3.3%
General Service	846	0	4	850	0.5%
Total Decentralized	1,357	0	21	1,378	1.5%
All Locations					
Professional and above	1,421	(24)	21	1,418	(0.2%)
General Service	1,644	(9)	1	1,636	(0.5)%
TOTAL	3,065	(33)	22	3,054	(0.4%)

Note: Outposted officers from HQ divisions are included in the decentralized post counts.

88. The staffing proposals are in line with the guidance provided by the 2008 Conference and the June 2009 Council and build on the Headquarters Organizational Structure progress reports provided to the CoC-IEE Working Groups in 2009. Tentative post counts by division and independent office are available in *Annex X*.

89. The Efficiency Savings column includes the abolition of 13 Director-level positions and the Further Implementation column contains the abolition of a further 27 positions, which concludes the layering of the management hierarchy at headquarters which started in 2008-09. One third of all headquarters Director-level positions have been abolished, increasing accountability at all levels. This, along with other efficiency savings proposals, allowed the Organization to reinvest the freed-up resources, which often resulted in the creation of new, lower-graded positions.

90. At the time of the PWB formulation, several restructuring initiatives are still ongoing and thus may not be fully reflected in the post counts. Several technical departments are piloting new ways of working to improve their programme delivery and promote management by results across units. Furthermore, the final structure of the new Corporate Services and Finance Department has not yet been fully elaborated.

91. Good progress is being made in more clearly defining the relationship and reporting lines between headquarters and decentralized offices. The PWB 2010-11 proposals include transfers of posts from headquarters to decentralised offices following the implementation of the IPA-recommended new models for TCP and OCD decentralization, and progressive implementation of the reform decentralization model in the Near East region.

92. Under a maintenance budget, the proposed PWB 2010-11 staffing changes at the total level are minimal.

D. TECHNICAL COOPERATION PROGRAMME (TCP)

93. IPA action 3.22 calls for TCP resources to be allocated to regions under the authority of Regional Representatives, except for 15% retained under the authority of the Department responsible for Technical Cooperation for use in emergencies, and 3% for inter-regional projects. In endorsing IPA action 3.23, the Conference agreed that the indicative allocations to regions should be the following: Africa 40%, Asia and the Pacific 24%; Latin America and the Caribbean 18%, Europe 10%; and the Near East 8%. The Conference further agreed that these allocations be reviewed by the Council every four years in line with the Medium Term Plan cycle.

94. The capacity of the regional offices to handle this new responsibility for the management of a regional TCP allocation and the related TCP pipeline will be increased through guidelines, training and the provision of additional staff in the regional offices (see *Decentralized Offices Network*).

95. The Conference also requested the Programme Committee and the Council to review the criteria and process for approval of TCP projects based on a delegation of responsibilities to the decentralized offices at the lowest possible level. Proposals to this end were reviewed by the Programme Committee at its 101st Session in May 2009, and approved by the Council at its 136th Session in June 2009 for implementation as from January 2010.

96. The decentralization of responsibility and accountability for the TCP is expected to ensure a more strategic use of its resources and a greater ownership of the TCP on the part of both receiving countries and decentralized offices. However, it will also have an impact on the overall workload of these offices. It will, therefore, be accompanied by the introduction of simplified procedures and quality assurance mechanisms, and will be supported by detailed guidelines, training of all FAO staff involved and helpdesk functions at the regional offices.

97. In addition, the decentralized management of the TCP will be supported by a small unit at headquarters located within the Policy and Programme Development Support Division. This unit will: i) provide policy and practical guidance to the decentralized offices on all matters related to the TCP; ii) coordinate the overall monitoring and reporting on the Programme; and iii) be responsible for managing the share of the appropriation earmarked for emergency and inter-regional projects.

98. The recurrent savings of USD 0.9 million per biennium arising from the decentralization of TCP management will be retained under the TCP appropriation for funding TCP projects.

E. DECENTRALIZED OFFICES NETWORK

Overview of changes

99. Over the 2010-11 biennium there will be a strong emphasis on improving the coherence, performance and integration of the current Decentralized Offices (DOs) network and ensuring that the Organization functions as one. The Decentralized Offices organigramme is also provided under *Annex IX*.

100. The regional offices (ROs), working as appropriate with subregional offices (SROs), will progressively take on new responsibilities for: i) overseeing the country offices, including the management of resources of the FAOR network; ii) managing the non-emergency TCP programme in the respective regions; iii) leading the strategic planning, programming and budgeting process for the region; iv) supervising regional technical officers; v) organising and servicing the strengthened Regional Conferences; vi) leading partnerships, particularly with regional organization; and vii) supporting country offices on matters dealing with UN reforms.

101. DOs will assume their new role in strategic planning and priority-setting at corporate and decentralized level. They will support the development of National Medium-term Priority Frameworks (NMTPFs) and (sub)regional priority areas. They will also take active part in the progressive

formulation and introduction of Impact Focus Areas, including implementation of the associated resource mobilisation strategy. Staff in DOs will be trained on results-based management concepts and a new system of operational planning, monitoring and reporting; and benchmarking will be developed and rolled out.

102. Country offices will continue to play a proactive role in the enhanced UN system coherence approaches, including Delivering as One, and FAO will participate in the UN Regional Director Teams that provide support, quality assurance and oversight on programmatic matters for United Nations Country Teams.

103. Subject to further governing body review, the 2010-11 biennium will see a revised mobility and rotation policy that will facilitate staff movements between headquarters and DOs. The new Performance Evaluation and Management System (PEMS) will be rolled out, and job descriptions and the competencies required of staff will be reviewed and strengthened. The current Management and Leadership Programme for staff at P-5 / D-1 level in DOs will be expanded with a curriculum that focuses on building partnerships and strategic skills in management and leadership. An online FAO Virtual Academy will facilitate the delivery of learning programmes at all locations.

104. DOs will be given greater delegated responsibility for procurement. New corporate strategies will be adopted on Information and Knowledge Management, as well as on Capacity Development that will help strengthen the roles of DOs with regard to these core functions. The Wide Area Network connectivity for DOs will be upgraded and IT support to DOs will be enhanced. This will permit nearly all DOs to effectively use corporate systems, including Oracle, Data Warehouse, and other Intranet and Web-based applications, and improve communications with headquarters and among DOs through the deployment of high-quality videoconferencing. During 2010-11, the development of a new Field Accounting System based on International Public Sector Accounting Standards (IPSAS) will start. This system will be expanded progressively to other administrative processes so as to arrive at comprehensive provision of financial and administrative system support to the DOs that may include the Oracle Performance Management System and its Business Intelligence Applications.

Review of the composition of regional and subregional office staffing

105. A review of staffing in regional and subregional offices was undertaken, aiming to align the skills mix to regional and subregional priorities under the new MTP and PWB. Some changes and amendments have been proposed in technical disciplines to better match the requirements of the (sub)region. Skills mix changes will be implemented incrementally in the course of the biennium as vacant posts are filled.

106. All RO/SROs have highlighted the need for additional expertise and resources to adequately carry out the programmatic, technical and policy work that is required of them; provide an adequate service to the countries and regional/subregional institutions with which they collaborate; and respond to country and (sub)regional needs. The additional technical skills required vary by office and reflect emerging regional priority areas such as trade, marketing and climate change.

107. Under a maintenance budget for 2010-11 and, mindful of the guidance provided in the IPA⁸ to assure adequate resources for both the capacities of decentralized offices and headquarters, it has not been possible to shift further technical resources to the RO/SROs in this PWB beyond the finalisation of the reform model in the Near-East region. Options for extra-budgetary funding, to reinforce the technical capacity of regional and subregional offices, could be considered by the concerned Regional Conferences during 2010, also in light of the initial experience of the Impact Focus Areas.

Decentralization of OCD functions and the TCP

108. As recommended by the IPA, resources related to the transfer of the TCP and OCD's support functions vis à vis country offices, have been allocated in the PWB to the regional and subregional

⁸ C 2008/4 paragraph 45

offices concerned, on the basis of the expected workload, as well as the structure of the offices, reaching an overall amount of USD 4.7 million.

109. There are USD 0.9 million savings with regards to the decentralization of the TCP support and management⁹, while no savings are expected with regards to the transfer of OCD functions to the regional offices. Particular emphasis will be put on ensuring synergy between new and existing regional office functions to compensate for the loss of the economies of scale inherent in decentralizing functions. It is recognised that these provisional resource allocations may have to be adjusted during implementation.

Country Office Network

110. In the PWB, the FAO Representations are presented in a separate chapter. The resource envelope for 2010-11 remains at the same level as in the previous biennium, before cost increases. Their contributions to the results framework will be further elaborated during the implementation cycle and detailed in programme implementation reporting.

111. In order to help close the structural deficit of the country office network, the lapse factor has been removed, thereby reducing the annual deficit of USD 2.7 million to USD 1.8 million¹⁰. During 2010-11, and pending Members' further guidance on country coverage, the remainder of the FAOR network deficit will be covered by appointing Emergency Coordinators as Officers-in-Charge of FAO Representations (thus facilitating the link between relief, rehabilitation and development and the integrated budget approach being adopted); outposting of technical officers from regional offices as FAO Representatives; and placing current FAO Representatives against vacant posts in regional offices.

Field Visits by Permanent Representatives

112. Field visits by Permanent Representatives have proved to be extremely useful in allowing Members and governing bodies to familiarise themselves with the work of the DOs. Such visits enable them to get a first-hand impression of the challenges these offices are facing to support countries in their developmental and humanitarian efforts, as well as understand the options and issues for improving the functioning of these offices. Usually, visits are in teams of three to six Permanent Representatives from a mix of regional groups. In the 2010-11 biennium, funds will be provided to cover the incremental costs incurred by the DOs hosting the visits of Permanent Representatives. Depending on the countries to be visited, the size of the teams, and the costs to be covered, it is considered that between five and ten country visits could be handled in the next biennium.

F. LANGUAGE SERVICES

113. The Council, at its 136th Session in June 2009, requested that the funding model for Language Services be changed from back-charging to central funding. The implications of the new proposed model have to be further evaluated in order to see the impact with regards to the split between Regular Budget and extra-budgetary funds, the principle of parity of languages and the available resources. The full implementation of the new funding model might spread over more than one biennium. As mandated by Council, a study will be carried out, in consultation with Members.

G. SAVINGS AND EFFICIENCY GAINS

114. The pursuit of efficiencies has been underway in FAO since 1994 and remains a high priority and ongoing management process. The results of the Organization's efforts to make inputs less costly without a negative impact on outputs, and improve cost recovery for services rendered, has yielded efficiency savings estimated at more than USD 140 million per biennium since 1994.

⁹ See Section II.A on IPA and RBR

¹⁰ See Section III.A(1) on Anticipated Cost Increases

115. In approving the Programme of Work and Budget 2008-09, the FAO Conference requested the identification of USD 22.1 million in further savings and efficiency gains to be achieved during the biennium, in addition to savings of USD 13 million already factored into the PWB. To encourage creative proposals and to provide seed money for developing promising new ideas, an innovation fund and financial incentive scheme were also put in place. In achieving the required savings, the Departments/Offices proposed innovative approaches in five categories of savings and efficiency gains, which will be carried forward into 2010-11, taking into account recommendations by the Independent External Evaluation (IEE) and the Root and Branch Review:

- Achieving lower costs of inputs;
- Streamlining of administrative and operational support processes;
- Selective delayering;
- Progressively adjusting the human resources input mix; and
- Increasing the funding base of the Programme of Work through further extra-budgetary resources.

116. *Achieving lower costs of inputs* (estimated biennial savings for 2010-11 of USD 7.0 million). Initiatives begun in 2008-09 that will continue in 2010-11 include: changes in the Basic Medical Insurance Plan (BMIP); a more cost-effective travel services contract; revision to the entitlement travel benefits; transfer of local audit functions; application of lower cost telecommunication technologies; a new enterprise licensing arrangement for corporate and desktop software, increasing electronic distribution of meeting documents and publications; and an inter-agency agreement for purchase of electricity.

117. Two areas of saving related to the FAO Medical Insurance Plans were implemented during 2009 that will result in a savings to the Organization of about USD 1 million in 2010-11. The first was an agreement with the insurer to hold the claims handling and overhead fees at the level of 2007. These fees had been growing at about 5% annually. Savings for 2010-11 are expected to amount to about USD 1.1 million, of which half accrue to the Organization and the other half directly benefit the staff. The second change was made upon the recommendation of the Joint Advisory Committee on Medical Coverage (JAC/MC), which had noted that the current level of the caps on the retirees' contribution was increasingly favouring those with short service periods, compared to the majority of retirees who had longer careers with the Organizations. Accordingly, the Director-General agreed to the Committee's recommendation to change the ceilings foreseen in the Staff Rules on premiums contributions from retirees to correspond to a minimum pension for approximately 25 years of service. Savings to the Organization for the 2010-11 biennium will amount to approximately USD 0.5 million.

118. Savings based on changes in travel entitlements is dependent on external factors such as market pricing, industry conditions, fuel prices and currency rates. During 2008-09 changes in travel entitlements aimed at reducing the cost of educational travel were impacted by the withdrawal of published excursion, student and discounted fares in some geographical areas; the restoration of these fares in 2010-11 is unclear at the present time. Concerning home leave and family visit travel entitlements, FAO provides an air ticket to staff members for themselves and their dependents, or they may optionally request a lump sum payment in lieu of the tickets provided by the Organization. As a cost saving measure, the lump sum calculation was modified in 2008-09 to 75% of the least expensive, full unrestricted IATA/published economy class fare from the duty station to the closest airport to the home station.

119. To reduce energy costs the Organization joined in an inter-agency agreement for the purchase of electrical energy on the liberalised market. Savings will also arise under the initiative to make FAO's workplace and work practices more environmentally friendly. These include measures to reduce energy consumption through replacement of less efficient light bulbs with new energy-saving bulbs; installation of lighting timers in corridors; and improvements in management of the heating, ventilating, and air conditioning (HVAC) system.

120. *Streamlining of administrative and operational support processes* are expected to result in biennial savings of about USD 2.5 million. A major change under this category is the decentralization of Technical Cooperation Programme operations to the decentralized offices. In addition to placing

decision-making for approval of TCP projects closer to the countries receiving TCP assistance, the cost of programme management, monitoring and coordination of the TCP is expected to decrease by about USD 0.9 million. Other areas of savings include the reduction of external storage costs.

121. *Selective layering* as it is being applied in FAO will entail the reduction of a substantial number of positions at the D1/D2/ADG level. The reduction of 40 director-level positions at the D1/D2 grade at headquarters will result in savings of approximately USD 19.7 million and represents a 33% decline in director and higher-level posts at headquarters compared to 2008.

122. The consequences of layering may have an impact on staff throughout the Organization to varying degrees. It is expected that a number of GS positions may need to be abolished, downgraded or their functions revised as a result of the abolition or downgrading of D-level positions and of restructuring. While affected D-level positions have been identified, the general service positions directly affected by the layering and restructuring exercise have not been identified to date. However, it is anticipated that about 15 GS posts will be downgraded and 10 posts eliminated, with net savings of USD 2.3 million.

123. *Progressively adjusting the human resources input mix* has pointed to the need to carefully manage adjustments to human resources in order to ensure career opportunities for staff and the best mix of staff and non-staff human resources to deliver services. It is also important to ensure that critical institutional technical knowledge is maintained. Part of the savings resulting from layering will allow the creation of 38 professional posts at headquarters and decentralized locations. Additional professional posts at the P4/P5 level will expand the opportunity for incumbents of lower-graded posts to advance within the professional category, although the elimination of D1 posts somewhat limits the opportunity for P5 Senior Officers to advance to the director-level. The cost of the additional professional posts amount to about USD 11.5 million, offsetting some of the savings from layering.

124. The net change in staff costs from layering and adjustments in the human resources input mix results in overall staff savings of about USD 10 million.

125. Another item in this category relates to the construction of an external visitors' reception facility, which is envisaged for completion by December 2009. It will facilitate perimeter controls and permit the elimination of two headquarters' guard posts without compromising current levels of security.

126. *Increasing the funding base of the Programme of Work through further extra-budgetary resources* includes: recovering FAO's cost of processing visa and laissez-passer requests for other Rome-based Agencies; shared funding of posts where extra-budgetary resources contribute directly to the Programme of Work; and ensuring eligible support costs are recovered in line with IPA action 3.16. This will be done in particular through the implementation of UN coherent cost recovery principles and the issuance of relevant guidelines to the decentralized offices involved in operations funded from voluntary contributions. The estimated biennial savings under this category amount to USD 2.3 million.

127. To continue encouraging the identification and implementation of cost saving and efficiency measures, the Innovation Fund established in 2008-09, will continue in 2010-11. Proposed 2010-11 resources for this Fund amount to USD 1.8 million and the programme will be administered by the Deputy Director-General (Operations). Emphasis will continue to be placed on providing limited seed resources for development of promising efficiency savings ideas. A variety of departmental proposals that received catalytic funding in 2008-09 are expected to result in improved cost recovery, sales proceeds and reductions in staff time/costs during the 2010-11 biennium.

III. Other Key Financial and Budgetary Dimensions

A. INCREMENTAL BUDGETARY REQUIREMENTS TO EXECUTE THE PROGRAMME OF WORK

128. This section computes the requirements to fully fund the Programme of Work funded by assessed contributions under a maintenance budget. A maintenance budget is defined as the budget level that preserves the purchasing power by updating unit costs through the estimation of cost increases, and provides for critical incremental requirements in capital and security expenditure.

(1) ANTICIPATED COST INCREASES

Methodology and context

129. The methodology for calculating cost increases in the PWB 2010-11 follows the approach previously approved by the Finance Committee, Council and Conference. The cost increase estimates are developed based on actual cost adjustments that have occurred in the current biennium and cost projections for the next biennium, and before the PWB is finalised, the data are updated so as to reflect the most recent cost trends and forecasts. The financial adjustments for the biennium are subdivided into *biennialization* and *inflation*.

130. *Biennialization* reflects the incremental financial effect in 2010-11 of cost adjustments materialising during 2008-09. As such, biennialization objectively reflects the financial impact of events that will have already taken place before the implementation of the 2010-11 budget. Accordingly, the financial implications of biennialization are essentially a matter of fact and arithmetic, not conjecture or long-range planning.

131. *Inflation* represents the cost impact in 2010-11 of those adjustments that are expected to take effect at various points in the next biennium. To assure prudent fiscal management and independent verification, external forecasts from the Economist Intelligence Unit and published data of authoritative bodies such as the International Civil Service Commission (ICSC) continue to be used in arriving at inflation estimates. The planning assumptions are summarised below.

Overview of cost increases

132. The incremental requirements for cost increases to maintain the same purchasing power as in 2008-09 are estimated at USD 54.9 million for 2010-11 for the Programme of Work funded from assessed contributions. This represents an overall increase in costs of 5.8%.

133. Cost increases for the 2010-11 biennium are significantly lower than those estimated for the 2008-09 biennium and are in line with cost increases of previous biennia, as shown in *Table 4*.

Table 4: Cost increases time series (USD million)*

Biennium	Total Approved Budget	Of which Total Cost Increases	Percent of Budget net of Cost Increases
2008-09	929.8	101.4	12.2%
2006-07	765.7	44.6	6.2%
2004-05	749.1	33.0	4.6%
2002-03	651.8	47.7	7.9%
2000-01	650.0	31.3	5.1%

* The source of this data is as follows:

For 2008-09, document C2007/3 Table 5 in paragraph 225 and Conference Resolution 3/2007

for 2006-07, document C 2005/3 footnote 29

for 2004-05, calculated from Revised PWB table in paragraph 10 (PC91/3 – FC 107/14 – JM04.1/2)

for 2002-03, derived from C 2001/3 tables in paragraphs 162 and 197

for 2000-01, document C 99/3 table in paragraph 141

134. The estimated cost increases for 2010-11 are summarised by input category in *Table 5*. The estimated cost increases of USD 54.9 million correspond to a biennial cost increase of 5.8% (equivalent to a 3.8% annual increase). Personnel services account for the vast majority (USD 47.9 or 6.9%) of the total cost increases, including a higher than normal increase in the lapse factor of USD 2.6 million (biennial adjustment of USD 0.5 million and removal of lapse factor for FAORs and Liaison Offices of USD 2.1 million). Details of the cost increases are explained below by category.

Table 5: Summary of cost increases under a maintenance budget funded from assessed contributions in 2010-2011 at 2008-09 lapsed rates (USD million)*

	PWB 2010-11 proposal funded from assessed contributions at 2008-09 costs	Biennialization	Inflation	Cost increases for 2010-11	Percent Cost Increase	Percent of cost increase attributable to each cost component
Personnel Services						
Salaries, Pension Fund Contributions and Allowances	648.7	20.2	20.4	40.7	6.3%	74%
After Service Benefits	37.4		4.6	4.6	12.3%	8%
Agreed Termination	4.0	-	-	-	0.0%	0%
Lapse Factor Adjustment				2.6		5%
Total Personnel Services	690.1	20.2	25.0	47.9	6.9%	87%
Total Goods and Services	250.9	-	7.0	7.0	2.8%	13%
Budget level for assessed contributions and additional requirements	941.0	20.2	32.0	54.9	5.8%	100%

* The breakdown of the budget by input category as shown in the column entitled PWB 2010-11 Proposals at 2008-09 Costs reflects the proposed input mix of the 2010-11 maintenance budget funded from assessed contributions at 2008-09 costs.

Personnel services

135. 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 decentralized offices where local currencies strengthen against the US dollar. The ICSC increases apply by location and staff category when they occur¹¹. To mitigate the financial effect of cost increases, the Organization has used the lower figures in the range of assumptions for future inflation, taking into consideration the current economic environment and the volatility of the exchange rates.

136. Personnel services are estimated to increase by 6.9% compared to the previous biennium (or 4.6% per year), and account for USD 47.9 million of the overall cost increases as summarised in *Table 5*. Inflation is USD 25 million (i.e. the cost impact of adjustments that are expected to take effect from January 2010), while biennialization accounts for USD 20.2 million (i.e. the incremental financial effect in 2010-11 of staff cost adjustments that are occurring in the current biennium).

137. The main items that contributed to biennialization of USD 20.2 million arise from:

- the under-budgeting of unit staff cost rates in the current biennium for professional salaries, higher-than-budgeted education grant claims and recruitment and transfer allowances, professional and GS dependency allowances, as well as increases in general service salary and pension costs¹²;
- the impact of devaluation of the US dollar against local currencies in decentralized offices, in particular in the first year of the biennium; some provision is included in the budget for the adjustment of local currencies against the US dollar in decentralized offices under biennialization;
- the incremental financial effect of all cost increases that took effect, or are expected to take effect, in the remaining months of 2008-09¹³.

138. The FAO governing bodies have been advised that staff costs are difficult to predict despite the refined information systems used to analyse current costs patterns and quantify trends¹⁴ and this leads to variances from the budgetary estimates prepared in advance of the budget implementation.

139. With regards to inflation, a total cost increase of USD 25 million is foreseen for personnel services based on estimates for the various components, including:

- for headquarters general services staff remuneration and pension and professional salaries, an increase at 2% in 2010 and 2.5% in 2011 is foreseen, slightly higher than the Economist Intelligence Unit (EIU) Average Nominal Wages Index forecast for Italy for 2010 (1.6%) and in line with the 2011 forecast (2.5%);
- an average of factors such as inflation indexes, exchange rate forecasts and recent past patterns of increases as applied to staff costs for other locations;
- for current service costs of After-service Medical Coverage (ASMC), Terminal Payments Fund (TPF), Separation Payment Fund for the general service category and Compensation Fund, an increase of USD 4.6 million overall compared to the level based on the actuarial valuations of 31 December 2007 and 2008. Most of the increase is for ASMC.

140. A provision of USD 4 million is maintained in budgeted staff costs to take account of the potential costs of agreed terminations, in line with IPA action 3.73 to establish a staff redeployment and separation fund. Staff costs also maintain previously budgeted provisions for rotation based on about 50 staff transfers per biennium. The additional cost of increasing staff rotation in the biennium is shown under the cost of implementing the IPA.

¹¹ Unit staff costs for the PWB are based on actual costs with adjustments in costs materialising during 2008-09 (biennialization) and the forecast of future cost increases (inflation). Actual staff costs are aggregated by geographical region to ensure the calculation of Unit Costs is based on more robust data.

¹² cf. FC 126/2 and FC 128/3

¹³ cf. FC 128/INF/6 paper of AFH on ICSC decisions.

¹⁴ cf. FC 113/10 Treatment of Staff Cost Variance

141. For pensionable remuneration of the professional category, a slightly lower increase than the average actual increases that took place in the last three years at 4% for each year respectively was included. A 6.55% across-the-board increase in August 2008 and a foreseen 4% increase in August 2009 in the scale of pensionable remuneration for the professional and higher categories have also been taken into account under biennialization.

142. The Basic Medical Insurance Plan cost increase is assumed in the next biennium with a 6.5% inflation rate for each year. This increase incorporates the latest trends experienced in medical costs versus premiums and is in line with the assumptions of the actuaries in their 2008 valuation on medical inflation. As reported in the *Section II.G* on savings and efficiency gains, some measures implemented in 2009 resulted in efficiency savings and are, therefore, also positively impacting the cost increases. Nevertheless the increase remains above the general consumer price inflation as is expected with medical inflation trends.

Goods and services

143. This cost heading includes Other Human Resources, Travel, General Operating Expenses, Furniture, Equipment and Vehicles, and estimated inflation averages 1.8.% per year, with USD 7 million being required over the biennium (2.8%) to maintain purchasing power of these inputs. This is the result of the weighted average of the estimated Consumer Price Index of the EIU for Italy applied to headquarters-based expenditures and that of the USA and the world for expenditures in decentralized locations.

Lapse factor

144. The lapse factor consists of 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 for application in the 1996-97 budget, has been consistently applied to all budgets since then.

145. The methodology for ongoing posts is based on three factors:

- staff turnover rates, as measured through separations;
- standard recruitment times; and
- the extent to which separations are foreseen, so that recruitment action can be anticipated and the effective lead time thus reduced.

146. In accordance with the established methodology, a five-year moving average (i.e. 2004 through 2008 inclusive) has been applied to calculate staff turnover rates. This results in an average turnover rate of 6.85% for professional staff and 6.02% for general service staff. Compared to the five-year moving average used in the PWB 2008-09, the turnover rate has decreased for professionals by 0.06% and increased for general service by 0.32%.

147. The standard recruitment lead times applied are as follows: professional - 42 weeks or 0.81 years; and general service - 25 weeks or 0.48 years.

148. The extent of separations which can be foreseen is derived from a review of the reasons for separation, the results of which are summarised below.

Table 6: Extent to which Recruitment Action can be Foreseen

Category of Separations	Professional		General Service	
	% of Population	No. of weeks foreseen	% of Population	No. of weeks foreseen
Foreseen separations (e.g. mandatory retirements)	44%	42 weeks or more	26%	25 weeks
Foreseen separations for a limited period (e.g. resignations with notice)	43%	12 weeks	54%	8 weeks
Unforeseen separations	13%	0 weeks	20%	0 weeks

149. These results have been applied to calculate the 2010-11 lapse factor of 2.41% for professional and 1.65% for general service costs respectively. Compared to the percentages used in 2008-09, the lapse factor did not change for the general service category and slightly decreased for the professional category (from 2.51%) as more separations were foreseen during this period. The new lapse factor increases staff costs by USD 0.5 million.

150. In the past, budgeting at standard rates adjusted for the lapse factor has often created unfunded costs in offices with a low number of budgeted vacancies, such as the Country and Liaison Offices, which are not able to “absorb” the lapse factor and, therefore, generally require resources beyond their established budgets. In many instances, the difference in costs between the lapsed rate and the unlapsed rate for filled posts had to be funded centrally, through reprogramming of resources from other areas.

151. The IEE and IPA have defined the FAOR “structural deficit” on the basis of keeping all budgeted FAO Representation positions filled at all times¹⁵. One approach to closing this deficit would be to do away with the lapse factor adjustment, as recommended by the IEE¹⁶.

152. Based on these factors, the CoC-IEE Working Groups have agreed with management’s proposal to eliminate the lapse factor adjustment for all budgeted posts in the network of FAO Representations. Management proposes to extend this measure to include all budgeted posts in the Liaison Offices, which suffer from similar constraints.

153. Therefore, in the 2010-11 Programme of Work proposal after cost increases funded from assessed contributions, FAOR and Liaison Offices are budgeted at unlapsed rates for the biennium. This adds USD 2.1 million to staff costs (USD 1.8 million for FAORs and USD 0.3 million for Liaison Offices).

154. *Annex XI* provides an overview of the proposal by organizational result before and after cost increases.

(2) CAPITAL EXPENDITURE AND SECURITY EXPENDITURE

Incremental requirements to execute the 2010-11 work programme

155. Incremental requirements, beyond the 2008-09 nominal level, are foreseen in the two special purpose chapters: Capital Expenditure and Security Expenditure, as described further below.

Capital Expenditure

156. The Capital Expenditure Facility was established by Conference Resolution 10/2003 and first implemented in the 2006-07 biennium. It enables the Organization to plan and commit expenditures for capital projects in a timely and coherent manner, supporting streamlining of administrative and

¹⁵ C 2008/4 para. 45

¹⁶ C 2007/7 A.1 para. 1207, IEE recommendation 7.3

financial processes and enhancing decentralization. Adequate funding under the Facility is essential if the Organization is to continue to undertake capital investments, including those identified in the Immediate Plan of Action and the Root and Branch Review, in an orderly manner.

157. As shown in the *Table 7*, capital expenditure projects stemming from the IPA actions and Root and Branch recommendations are expected to amount to approximately USD 10.6 million, including the establishment of a Management Information System, the upgrade of Oracle for staff management and IT, and wide-area network upgrades to support decentralization.

158. Other ongoing and foreseen high priority items (described further in *Section IV of the document*) are expected to amount to USD 25.1 million, but would be partially offset by the anticipated carry-over of funds from previous biennia of USD 5 million, including for International Public Sector Accounting Standards (IPSAS), Field Accounting System (FAS) and ATLAS travel system replacement, and other miscellaneous items. The net increase requested as part of the 2010-11 net Appropriation would therefore amount to USD 10.6 million.

Table 7: Incremental Requirements in 2010-11 USD 000

Capital Expenditure and Security Expenditure	
Capital Expenditure	
<i>2008-09 Appropriation</i>	<i>20,126</i>
2010-11 IPA/RBR requirements	10,550
2010-11 other high priority Capital Expenditure items	25,126
Total 2010-11 Capital Expenditure requirements	35,676
Estimated carry-over from previous biennia	5,000
<i>Request for funding under net appropriation</i>	<i>30,676</i>
Increase from 2008-09 – Capital Expenditure	10,550
Security Expenditure	
<i>2008-09 Appropriation</i>	<i>23,292</i>
2010-11 basic requirements	23,055
Forecasted additional requirements	2,300
Total 2010-11 Security requirements	25,355
Estimated carry-over from 2008-09	1,400
<i>Request for funding under net appropriation</i>	<i>23,955</i>
Increase from 2008-09 – Security Expenditure	663
Total Incremental Requirements in 2010-11	11,213

Security Expenditure

159. The Security Expenditure Facility was established by Conference Resolution 5/2005, with the aim of providing comprehensive coverage of staff and non-staff costs directly related to security and safety of the Organization's staff and assets.

160. As shown in *Table 7*, the basic requirements for 2010-11 are estimated at USD 23.1 million, a decrease of approximately USD 0.2 million from the previous biennium, due to foreseen efficiency savings following the creation of the entrance pavilion at headquarters. However, increased requirements, currently being studied in the context of a recent internal audit review and the broader ongoing discussions within the UN, are estimated at approximately USD 2.3 million. For the 2010-11 biennium, it is foreseen that most of the increased requirement would be offset by the expected carry-over from the 2008-09 biennium, leaving an incremental requirement of USD 0.7 million.

161. The United Nations Department of Safety and Security continues to report a growing number of threats against the United Nations System. In an effort to gauge its own state of responsiveness, FAO initiated an internal audit of its own security services worldwide. Preliminary results underlined urgent steps to mitigate against potential risks to FAO personnel and assets at headquarters and field locations.

162. Improving security at headquarters will require additional resources for enhancing perimeter control, in collaboration with Host Country authorities. This includes enhancing the physical barriers surrounding the premises, the ability to detect hostile surveillance, improving the capability to staff every access point, and installing and operating updated pedestrian and motorized verification systems.

163. Security measures in decentralized offices necessitate an increased capacity to analyse risks, to train managers on risk management, and to assist field offices with assessing risks to their mandated activities. There will be need to mainstream security requirements into programme formulation and budgeting and apply mitigating measures as in Minimum Operating Security Standards (MOSS) and Minimum Operating Residential Security Standards (MORSS) in accordance with duty station-specific-measures, mandated by the UN Security Management System.

B. ELEMENTS FOR IMPROVING FAO'S FINANCIAL HEALTH, LIQUIDITY AND RESERVES

(1) OVERVIEW OF BALANCES ON GENERAL AND RELATED FUNDS

164. 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 which 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) which is authorised at a level of USD 25.7 million. Its primary purpose 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) which is authorised at a level of 5% of the effective working budget (this would be equivalent to USD 38.3 million in the 2008-09 biennium). Established by Conference Resolution 27/77 in 1977 and expanded by Conference Resolutions 13/81 and 17/89 and further guidance from Conference in 2005¹⁷, it 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.

¹⁷ C 2005/REP para 101

165. The balances on General and Related Funds as at 31 December 2008 (unaudited)¹⁸ are summarised as follows:

Table 8: General and Related Funds as at 31 December 2008

	USD million
General Fund (deficit)	(412.7)
Working Capital Fund	0.0
Special Reserve Account	15.9
Total General and Related Funds (deficit) at 31 December 2008	(396.8)

166. The net balance on total General and Related Funds at 31 December 2008 represents a decrease of USD 424.2 million when compared with the fund balances at 31 December 1997, the date when the Organization last reported a positive fund balance of USD 27.4 million. The main factors which have contributed to this decrease are summarised as follows:

Table 9: General and Related Fund Deficit as at 31 December 2008

	USD million
Total General and Related Fund Surplus as at 31 December 1997*	27.4
Decrease in provisions for Contributions	139.0
Unfunded Past Service Costs for ASMC and TPF	(519.6)
Unbudgeted Expenditures	(59.3)
Other surpluses/deficits 1998-2007 (net)	15.7
Total General and Related Fund Deficit as at 31 December 2008	(396.8)

* C99/5 page 5

Decrease in provisions for Contributions

167. Prior to 2006-07, the Organization's policy was to record a provision against 100% of the outstanding amount of Contributions Receivable from Member Nations until such time as they were collected. Beginning in 2006-07 the Organization revised its policy such that a provision is recorded against these assessments only under exceptional circumstances when the assessment is not considered collectible. The decrease in this provision resulted in an improvement in the General Fund balance of USD 139 million.

Unfunded Past Service Costs for ASMC and TPF

168. In the period since 1997 the Organization has progressively recorded the full 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 net cumulative impact on the General Fund deficit of recognition of the past service liability in excess of the additional assessments issued towards funding these liabilities during this period has been USD 519.6 million¹⁹, as at end 2008.

¹⁸ FC 126/7 page 4

¹⁹ Total unfunded liabilities reported at 31 December 2008 were ASMC of USD 736.8 million and TPF of USD 50.6 million. These balances also include unrecorded actuarial losses of USD 312.3 not yet charged against the General Fund offset by the allocation of Long-Term Investments assets set aside to fund the liabilities.

Unbudgeted Expenditures

169. In the period since 1998, unbudgeted expenditures totaling 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 authorised the Director-General to meet redeployment and separation costs over and above the net budgetary appropriations approved for 1998-99 and 2000-01 respectively. The related costs of USD 10.6 million²⁰ and USD 8.4 million²¹ 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 million²² in 2002-03; USD 2.9 million in 2004-05²³; and USD 8.2 million in 2006-07²⁴, 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;
- d) a charge of USD 6.4 million²⁵ was made against the Special Reserve Account in 2006-07 for a portion of the unforeseen headquarters' General Service salary increase.

170. While the change in the Organization's accounting policy for provisions against Contributions Receivable from Member Nations has resulted in an improvement in the General Fund balance of USD 139 million, the high level of outstanding assessed contributions continue to be one of the most critical factors impacting the liquidity of the Organization. Total assessments outstanding at 31 December 2008 were USD 160.4 million. Clearly, the Organization remains very vulnerable to cash shortages due to the very high-level of arrears of contributions from previous years, delays in the payment of current assessments, and insufficient cash reserves.

(2) *REQUIREMENTS TO STABILISE GENERAL FUND DEFICIT AND AVOID LIQUIDITY SHORTAGES*

171. Unless significant measures are adopted by the governing bodies to improve the timing of payment of assessed contributions, restore safety nets such as the Working Capital Fund and the Special Reserve Account, and address unfunded liabilities, the Organization will be unable to improve the future cash flow situation or adequately address the accumulated deficit under the General Fund. This section quantifies the requirements to at least stabilise the General Fund deficit by addressing recurring unfunded liabilities as reflected in the Organization's accounts (past service liability of ASMC and TPF) and restoring safety nets to avoid liquidity shortages by one-time replenishment of reserves (WCF and SRA).

172. In *Table 10*, minimum incremental funding is limited to those areas where the Secretariat has already received positive guidance from the governing bodies, whereas desirable incremental funding to tackle the financial health and liquidity situation reflects the Secretariat's estimation of the actual needs for improving FAO's financial health²⁶.

²⁰ C 2001/5, page 14, note 11

²¹ C 2003/5, page 10, note 10

²² C 2005/5A, page 12, note 10

²³ C 2007/5A, page 12, note 9

²⁴ C 2009/5A, page 7, footnote 6

²⁵ C 2003/5, page 10, note 10

²⁶ The Organization will be carrying out a full review of the function, purpose and accounting treatment of reserves in the context of the implementation of International Public Sector Accounting Standards (IPSAS) and proposals for revision will be presented to the governing bodies.

173. Minimal incremental funding comprises:

- USD 6.4 million to restore to the Special Reserve Account the equivalent charge for a portion of the unbudgeted headquarters' general service salary increase, as already recommended by Council at its 131st session in November 2006
- USD 25.2 million²⁷ for the ASMC past service liability, in accordance with the principle established by the November 2005 Council of "*recommending funding at the same level prescribed by the latest actuarial valuations in future biennia*".

174. As summarised in *Table 10*, the requirements for addressing the financial health of the Organization range from USD 31.6 million for minimum incremental funding (in line with guidance from the governing bodies) to USD 163.0 million for desirable incremental funding (being the Secretariat's judgment of the needs for substantially and expeditiously improving FAO's health). Explanations are provided below for each of the elements listed in the table.

Table 10: Incremental requirements for addressing the financial health of the Organization

Elements for improving FAO's financial health, liquidity and reserves	USD million	
	Minimum incremental funding in 2010-11	Desirable incremental funding in 2010-11
Recurring requirements for staff related liabilities:		
Funding ASMC past service liability	25.2	46.4
Funding TPF past service liability	0.0	29.0
Subtotal recurring incremental funding requirements for staff related liabilities	25.2	75.4
One-time requirements for replenishment of reserves		
Working Capital Fund	0.0	49.3
Special Reserve Account	6.4	38.3
Subtotal One-time requirements for building up reserves	6.4	87.6
Total incremental requirements	31.6	163.0

Funding the After-service Medical Coverage Past Service Liability

175. 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 cost²⁸, which is a standard component of staff costs and is covered in each biennium's Regular Programme budgetary appropriations.

176. FAO's ASMC past service liability has never been met from the budgetary appropriations or the Programme of Work. While 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). Beginning with the 2004-05 biennium, the Conference approved separate additional assessments on Members towards funding the ASMC past service liability. The Finance Committee has recognised that biennial assessments of USD 14.1 million towards ASMC past service funding, as

²⁷ Based on the original amortization period for full funding of 30 years, but with a revised target date of 2038.

²⁸ 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.

first approved by Conference in November 2003, remain far short of the biennial funding required to fully fund the liability by 2027 using the original 30-year amortization period which began in 1998.

177. Based on the most recent actuarial valuation, the unfunded ASMC liability at 31 December 2008 totaled USD 736.8 million²⁹. At its 126th Session in May 2009, the Finance Committee recalled the Council's advice to address these obligations in the longer-term by pursuing strategies to ensure that significant liabilities of the Organization are fully funded. The Committee acknowledged that additional funding towards the ASMC liability was required and agreed to make its recommendation to Council for increased biennial assessments within the context of the PWB 2010-11 recognising the contribution of active staff participants over time, and the possible revision of the target date for full funding of the liability.

178. A study was undertaken in June 2009 by the Organization's actuaries to assess the impact of changes in the target dates for full funding for the ASMC based on the data, assumptions, and methods used in the 31 December 2008 valuation. The results of that study are summarised in Table 11 below, which highlights that incremental biennial funding required to meet the original target date of 2027 is USD 46.4 million, while incremental biennial funding based on the originally approved period of 30 years, but now re-set to meet a target date of 2038 is USD 25.2 million.

Table 11: Funding Options for ASMC Past Service Liability

	USD million	
	Current Schedule	Re-set to 30 years
Amortization Period	18 years	30 years
Target Year ³⁰	2027	2038
Biennial Funding Required from 2010-2011 ³¹	60.5	39.3
Current biennial funding	14.1	14.1
Incremental funding required	46.4	25.2

179. As with any long-term actuarial projection, there is inherent uncertainty relating to the ultimate cost of the plan. Deviations from the valuation assumptions could result in changes to the final liability and future required contributions³².

Funding Terminal Payments Fund Past Service Liability

180. Terminal 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. While 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). The unfunded TPF Past Service liability at 31 December 2008 amounted to USD 50.6 million³³. Cash outflows in excess of the funding provided in the PWB

²⁹ Refer to FC126-8 – 2008 Actuarial Valuation of Staff Related Liabilities, page 8, table 4.

³⁰ For purposes of the study, all options assume a start date for funding of 1 January 2009.

³¹ Funding requirements recognizes the cross-subsidy of retiree medical claims costs by active staff member contributions (refer FC126-8 para 18-19) and the Organization's matching payments for these active staff.

³² An external firm performs an actuarial valuation of the plan on an annual basis to update the estimate of the overall liability and funding requirement.

³³ Refer to FC126-8 – 2008 Actuarial Valuation of Staff Related Liabilities, page 8, table 4.

for TPF current service costs presently generate a structural cash deficit in the General Fund, pending establishment of a funding approach for this liability.

181. This unfunded past service liability has never been met from the budgetary appropriations or the Programme of Work. The past service liability would, therefore, need to be addressed in the same manner as ASMC past service liability. Based on the results of the target date study referred to above, Table 12 below presents the required funding for 2010-11 based on different target dates for achieving full funding. In the *table*, the desirable incremental funding in order to meet the original target date of 2012 is USD 29.0 million. Since there is presently no funding mechanism for the TPF, and the governing bodies have not yet provided positive guidance on this issue, the minimal funding scenario reflected in the table does not address the funding of this liability in 2010-11. This approach has an adverse impact on the Organization's financial position as outlined above.

Table 12: Funding Options for TPF Past Service Liability

	USD million		
	Current Schedule	Re-set to 15 years	Re-set to 20 Years
Amortization Period	4 years	15 years	20 years
Target Year*	2012	2023	2028
Biennial Funding Required from 2010-2011	29.0	8.8	7.0
Current biennial funding	0	0	0
Incremental funding required	29.0	8.8	7.0

* Using the original 15-Year amortization period which began in 1998

Replenishment of Working Capital Fund

182. The Organization's recourse to external borrowing to cover liquidity shortfalls is preceded by the full utilisation of the Working Capital Fund (WCF), plus any available balance of the Special Reserve Account. For several years the level of these reserves has proven insufficient to avoid recourse to external borrowing. The Finance Committee has been previously advised that to cope with operating cash requirements in the face of persistent delays in Members' contributions, the WCF should be increased to USD 75 million through a one-time assessment on Members, an amount equivalent to about two months of Regular Programme cash outflow.

183. The current authorised level of the Working Capital Fund of USD 25.7 million is insufficient to cover even one month of cash outflow. Unless Members' contribution payment patterns improve significantly in 2010-11, leaving the WCF at its current level would entail a risk of external commercial borrowing to deliver the approved Programme. A one-time assessment on Members of USD 49.3 million to bring the WCF to USD 75 million is considered desirable, as it would provide a superior safety net prior to recourse to borrowing.

Replenishment of Special Reserve Account

184. The balance on the SRA at 31 December 2008 of USD 15.9 million principally comprised cumulative unrealised exchange gains on the revaluation of non-cash balances and exchange gains recognised on the translation of EUR transactions which are not backed by actual cash resources³⁴. As has been previously reported to the Finance Committee, the Organization will be carrying out a review of the function, purpose and accounting treatment of reserves in the context of the implementation of International Public Sector Accounting Standards (IPSAS), particularly relating to the transfer of exchange gains/losses to the SRA, and proposals for revision to the SRA will be presented to the governing bodies.

³⁴ CL 136/8 para 32(j)

185. As already recommended by the Finance Committee at its 115th Session of September 2006³⁵ and Council at its 131st Session in November 2006³⁶, minimum incremental funding is requested in the amount of USD 6.4 million to restore to the Special Reserve Account the equivalent charge for a portion of the unbudgeted headquarters' general service Salary increase in 2006-07. In considering the matter, the 2007 Conference decided to defer the replenishment of the Special Reserve Account, in the amount of USD 6.4 million, and to revisit this matter at the 2008 Conference³⁷.

186. Conference Resolution 13/81 specifies that the SRA should be maintained at a level equivalent to 5% of the total effective working budget of the Organization. The previous replenishment of the SRA by special assessment on Member Nations was authorised by Conference in 1991 (Resolution 16/91), for an amount of USD 28 million. It is desirable to replenish the reserve to its authorised level through a one-time special assessment with the level of the assessment dependent on the latest balance of the SRA and on the approved budget level. Assuming there will be no cash balance left on the SRA by the end of the biennium, this would require an assessment in the order of USD 38.3 million to fully replenish the SRA up to 5% of the working budget (based on 2008-09 approved budget figures).

C. SUMMARY REQUEST

Summary of overall resource request

187. An overall view of how this plan, providing for the funding requirements to execute the 2008-09 Programme of Work under all sources of funds and the requirements to tackle the financial health, liquidity situation and reserves, would impact on future financial commitment of Members is provided below.

Cumulative funding requirements

Programme of Work

188. This PWB presents an integrated view of total resource requirements to carry out the Programme of Work directly linked to the MTP, in the form of assessed contributions and voluntary contributions, as summarized in *Table 1*.

Net Budgetary Appropriation – Assessed Contributions

189. The starting point is the 2008-09 budget level of USD 929.8 million net appropriation. Within the base budget, departments have reprogrammed delaying savings to priorities in the new results framework, with some further reallocations for Statistics, Right to Food, Emergency Prevention System for Transboundary Animal and Plant Pests and Diseases (EMPRES), Livestock, Climate Change, Fisheries, Forestry, Evaluation and Ethics.

190. Cost increases are estimated at USD 54.9 million to maintain purchasing power. They consist of USD 45.3 million for staff costs, USD 7 million for non-staff costs, USD 2.1 million for lapse factor adjustments for Country and Liaison Offices and USD 0.5 million other lapse factor adjustments.

191. Critical incremental Capital Expenditure requirements of USD 10.6 million are proposed, stemming from the IPA actions and Root and Branch recommendations (IT and wide-area network upgrades to support decentralization, Management Information System, Oracle upgrades).

192. Increased Security Expenditure requirements of USD 0.7 million are proposed, being the estimated net cost of measures arising from a recent internal audit review and the broader ongoing

³⁵ CL 131/7 para 42

³⁶ CL 131/REP para 37

³⁷ Resolution 4/2007

discussions within the UN (USD 2.3 million increased cost in 2010-11 offset by USD 1.6 million Security Facility carryover from 2008-09).

193. The total proposed maintenance level net Budgetary Appropriation (zero real growth plus critical incremental capital and security requirements) to be funded from assessed contributions would be USD 995.9 million, a 7.1% increase over the 2008-09 net Budgetary Appropriation.

Voluntary Contributions

194. In line with the integrated budget approach endorsed in the IPA, the results-based Programme of Work includes estimated requirements for two types of voluntary contributions totalling USD 1,294 million.

- a) *Core Voluntary contributions* of USD 275.8 million, comprising: USD 47.7 million for costs associated with the implementation of the Immediate Plan of Action (USD 19.8 million in investment and USD 27.9 million in recurrent costs), and USD 228.1 million estimated for projects and prospects in direct support of the Programme of Work.
- b) *Other voluntary extra-budgetary contributions* of USD 1,017.7 million comprising support to the field programme and assistance to Member Nations estimated at USD 372.1 million and emergencies at USD 645.6 million.

Table 13: Cumulative Funding Requirements in 2010-11 (in USD millions, at the 2008-09 budget rate of exchange of 1 Euro = 1.36)

Programme of Work	Amount
<i>Requirements under the net appropriation work programme</i>	
2008-09 Net Budgetary Appropriation	929.8
Cost Increases	54.9
Incremental requirements for Capital and Security Expenditure	11.2
Maintenance level net budgetary appropriation for 2010-11	995.9
Percent change in Net Appropriation 7.1%	
<i>Requirements under the extra-budgetary work programme</i>	
Core Voluntary	
Incremental priority core activities	25.9
Immediate Plan of Action - investment costs	19.8
Immediate Plan of Action - recurrent costs	27.9
Other direct support to programme of work	202.2
Total Core Voluntary	275.8
Other Extra-budgetary	
Support to Field Programme/Assistance to Member Nations	372.1
Emergencies	645.6
Total Other Extra-budgetary	1,017.7
Total request under Voluntary Contributions	1,293.5
Total integrated programme of work in 2010-11	2,289.4

Improving financial health, liquidity and reserves

195. As requested by the Finance Committee and in line with past PWBs, two sets of measures are presented to stabilise the General Fund deficit and avoid liquidity shortages, ranging from a minimum of USD 45.7 million to a desirable level of USD 177.1 million, which would need to be funded from assessed contributions, as follows:

- Recurring incremental requirements to address staff-related liabilities [After-service Medical Coverage (ASMC) and Terminal Payments Fund (TPF) past-service liability] in the range of USD 25.2 million to USD 75.4 million. These figures are in addition to the 2008-09 approved funding level of USD 14.1 million;
- One-time replenishment of the Working Capital Fund and Special Reserve Account (SRA) in the range of USD 6.4 million (SRA only for the GS salary increase paid in 2006-07) to USD 87.6 million (full replenishment of both).

196. A desirable incremental funding level of USD 163 million would expeditiously improve FAO's financial health in 2010-11. However, minimum incremental funding proposals are put forward in line with positive guidance already received from the governing bodies, comprising:

- USD 6.4 million to restore to the Special Reserve Account the equivalent charge for a portion of the unbudgeted headquarters' general service salary increase, as already recommended by Council at its 131st Session in November 2006;
- USD 25.2 million for the ASMC past-service liability, in accordance with the principle established by the November 2005 Council of "*recommending funding at the same level prescribed by the latest actuarial valuations in future biennia*".

197. Table 14 below summarises the minimum requirements for improving financial health, liquidity and reserves in 2010-11.

Table 14: Elements for improving FAO's financial health, liquidity and reserves (in USD 000)

Elements for improving FAO's financial health, liquidity and reserves		
2008-09 funding for ASMC past service liability	14.1	
Increased ASMC funding requirement in 2010-11	25.2	
<i>Minimum requirement for ASMC past service liability (recurring requirement)</i>	39.3	
Replenishment of the Special Reserve Account (one-time requirement)	6.4	
Minimum requirements to improve financial health in 2010-11	45.7	

D. CHAPTER STRUCTURE AND DRAFT CONFERENCE RESOLUTIONS

Background

198. Financial Regulation III on the budget states that biennial budget estimates shall be prepared by the Director-General on a programme-budget basis, divided into chapters and programme objectives and, where necessary, into programmes and sub-programmes. The budget is voted by the Conference through a Budgetary Appropriations Resolution at chapter-level.

199. Financial Regulation IV on appropriations provides for the financial management of the appropriations voted, including the responsibility of the Director-General to manage the appropriations so that obligations and expenditures follow, in general, the financial plans contemplated by the PWB approved by the Conference, and the requirement that transfers between chapters be approved in advance by the Finance Committee or Council.

200. It is recalled that for the biennia 2000-01 to 2004-05, the Appropriations Resolution had seven Chapters. For the 2006-07 biennium, the chapter structure was modified in two ways: i) consolidation of the seven chapters into six linked to Reforms in the Organization (CR 6/2005); and ii) creation of two new special purpose chapters on Capital Expenditure (CR10/2003) and Security Expenditure (CR 5/2005).

201. As discussed with the CoC-IEE Working Groups in 2008, a new chapter structure needs to be defined for the biennial PWB from 2010-11 in line with the new results framework for the purposes of the Budgetary Appropriations Resolution. The working groups noted that the chapter structure should: a) clarify the division between technical and administrative costs; b) allow for flexibility to management to deliver against Strategic Objectives and address any emerging issues; and c) avoid any tendency towards micromanagement by the governing bodies. At the same time, they noted that the

chapter structure should permit adequate governing body oversight of significant proposals for resource shifts between priorities.

202. Furthermore, the Finance Committee at its May 2009 session considered that the draft Budgetary Appropriations Resolution would need to be presented differently than in the past, in order to realign it with the newly defined Strategic and Functional Objectives, while ensuring flexibility for effective implementation, and noted that the Secretariat would present such a draft Budgetary Appropriations Resolution to the Committee at its July Session³⁸.

203. On the basis of the principles outlined above, the Secretariat presents below two proposed options for the chapter structure which would align the Appropriations Resolution and the PWB structure with the results-based planning process.

Budgetary Chapters Option 1

204. The structure would be formulated with one chapter for each Strategic and Functional Objective (13 chapters), and five chapters for special items (FAOR, TCP, Capital Expenditure, Security Expenditure, and Contingencies), as detailed in the Draft Conference Resolution on Budgetary Appropriations 2010-11: Option 1 below .

205. The overall purpose of this structure would be to clearly link the budget to the Programme of Work to be carried out under the results-based framework at the objective level. Technical work and other substantial work carried out in support of the core functions are clearly distinguished in separate chapters (1 through 12), and the administration and overhead costs are clearly identified in Chapter 13 (FO Y). The FAO Representations and the Technical Cooperation Programme are presented in separate chapters for budgetary purposes; their contributions to the Results Framework will be further elaborated during the implementation cycle and detailed in programme implementation reporting. The special purpose chapters on Contingencies, Capital Expenditure and Security Expenditure remain, but with new chapter numbers (16, 17 and 18).

206. While this level of disaggregation provides a clear and comprehensive view of budgets and expenditures against the results framework, it is important to ensure that management retains sufficient flexibility to deliver against the Strategic and Functional Objectives and to address any emerging issues, and that micromanagement by the governing bodies is avoided, in particular in relation to the requirement that transfers between chapters be approved in advance by the Finance Committee or Council (FR 4.5b).

207. As part of Option 1, therefore, it is considered essential to include a clause in the Appropriations Resolution which, notwithstanding Financial Regulation 4.5b, would provide flexibility to the Director-General to authorise transfers between budgetary chapters up to a certain percentage. It should be noted that WHO has a similar clause in its appropriations resolution, which provides flexibility of up to 10% to the Director-General.

208. The proposed wording for inclusion in the Appropriations Resolution is as follows:

Notwithstanding the provisions of Financial Regulation 4.5b, the Director-General is authorised to make transfers between budgetary chapters up to an amount not exceeding 5% of the amount appropriated to the chapter from which the transfer is made; all such transfers shall be reported in the budgetary reports for the 2010-11 period; any other transfers required shall be made and reported in accordance with the provisions of Financial Regulation 4.5b.

Budgetary Chapters Option 2

209. Option 2 consists of three chapters for the 11 Strategic Objectives, two for the Functional Objectives, and five chapters for the special items (FAORs, TCP, Capital Expenditure, Security, and Contingencies), as detailed in the Draft Conference Resolution on Budgetary Appropriations 2010-11: Option 2 below.

³⁸ CL 136/8, PARA 63

210. The difference with Option 1 is the more consolidated presentation of the Strategic Objectives. Chapter 1 is an aggregation of Strategic Objectives A, B, C, E, F, and focuses on sustainable food production and management of natural resources. Chapter 2 deals with improved food security and safety (SOs D and H), and Chapter 3 encompasses livelihood and rural equity (SOs G, I, K, L).

211. With this aggregated presentation, the concern on flexible management of resources could be accommodated without derogation from FR 4.5b, and the additional clause in the Appropriations Resolution would not be required.

Table 15: Proposed Budgetary Chapter Structure

Chpt	PWB 2008-09	PWB 2010-11 (Option 1)	PWB 2010-11 (Option 2)
1	Corporate Governance	A - Sustainable intensification of crop production	Sustainable food production and management of natural resources (SOs A, B, C, E, F)
2	Sustainable Food and Agricultural Systems	B - Increased sustainable livestock production	Improved food security and safety (SOs D and H)
3	Knowledge Exchange, Policy and Advocacy	C - Sustainable management and use of fisheries and aquaculture resources	Livelihoods and rural equity (SOs G, I, K, L)
4	Decentralization, UN Cooperation and Programme Delivery	D - Improved quality and safety of foods at all stages of the food chain	X - Effective collaboration with Member States and stakeholders
5	Management and Supervision Services	E - Sustainable management of forests and trees	Y - Efficient and effective administration
6	Contingencies	F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	FAO Representations
7		G - Enabling environment for markets to improve livelihoods	Technical Cooperation Programme
8	Capital Expenditure	H - Improved food security and better nutrition	Contingencies
9	Security Expenditure	I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	Capital Expenditure
10		K - Gender equity in access to resources, goods, services and decision-making in the rural areas	Security Expenditure
11		L - Increased and more effective public and private investment in agriculture and rural development	
12		X - Effective collaboration with member states and stakeholders	
13		Y - Efficient and effective administration	
14		FAO Representations	
15		Technical Cooperation Programme	
16		Contingencies	
17		Capital Expenditure	
18		Security Expenditure	

RESOLUTION 3/2009
Budgetary Appropriations 2010-11: Option 1

NOTE: FIGURES WILL BE PROVIDED IN FINAL PWB AND AS INFORMATION NOTE TO THE PROGRAMME AND FINANCE COMMITTEES

THE CONFERENCE,

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

Having considered the proposed total net appropriation of USD 995,800,000 for the financial period 2010-11 at the 2008-09 rate of Euro 1= USD 1.36 which assumes US dollar and Euro expenditure equal to USD xxx and Euros xxx;

Having considered that the above net appropriation is equivalent to USD at the budget rate of Euro 1 = USD 1.38 established for 2010-11 after translation of the Euro portion;

1. **Approves** the Programme of Work proposed by the Director-General for 2010-11 as follows:

- a) Appropriations are voted at a rate of Euro 1 = USD 1.38 for the following purposes:

USD

Chapter 1:	A - Sustainable intensification of crop production
Chapter 2:	B - Increased sustainable livestock production
Chapter 3:	C - Sustainable management and use of fisheries and aquaculture resources
Chapter 4:	D - Improved safety and quality of food at all stages of the food chain
Chapter 5:	E - Sustainable management of forests and trees
Chapter 6:	F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture
Chapter 7:	G - Enabling Environment for Markets to Improve Livelihoods and Rural Development
Chapter 8:	H - Improved food security and better nutrition
Chapter 9:	I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies
Chapter 10:	K - Gender equity in access to resources, goods, services and decision-making in the rural areas
Chapter 11:	L - Increased and more effective public and private investment in agriculture and rural development
Chapter 12:	X - Effective collaboration with member states and stakeholders
Chapter 13:	Y - Efficient and effective administration
Chapter 14:	FAOR – FAORs
Chapter 15:	TCP – TCP
Chapter 16:	Contingencies
Chapter 17:	Capital Expenditure
Chapter 18:	Security Expenditure

Total Appropriation (Net)

Chapter 19: Transfer to Tax Equalization Fund

Total Appropriation (Gross)

- b) The appropriations (net) voted in paragraph (a) above minus estimated Miscellaneous Income in the amount of USD xxx shall be financed by assessed contributions from Member Nations of USD xxx to implement the Programme of Work.
 - c) Such contributions shall be established in US dollars and Euro and shall consist of USD xxx and Euro xxx. This takes into account a split of %US dollars and %Euro for the appropriations (net) and of % for US dollars.
 - d) An additional amount of USD xxx shall also be financed by assessed contributions from Member Nations to fund the amortization of After-service Medical Coverage (ASMC). The contributions shall be established in US dollars and Euro, taking into account a split of % US dollars and % Euro, and shall therefore amount to USD xxx and Euro xxx.
 - e) 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 xxx. Such contributions due from Member Nations in 2010 and 2011 shall be paid in accordance with the scale of contributions adopted by the Conference at its Thirty-sixth Session.
 - f) 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 xxx has been foreseen for this purpose.
2. Notwithstanding the provisions of Financial Regulation 4.5b, authorises the Director-General to make transfers between budgetary chapters up to an amount not exceeding 5% of the amount appropriated to the chapter from which the transfer is made; all such transfers shall be reported in the budgetary reports for the 2010-11 period; any other transfers required shall be made and reported in accordance with the provisions of Financial Regulation 4.5b.
3. **Encourages** Members to provide voluntary contributions to facilitate implementation of the unified Programme of Work under the Results Framework.

(Adopted on zz November 2009)

RESOLUTION 3/2009
Budgetary Appropriations 2010-11: Option 2

NOTE: FIGURES WILL BE PROVIDED IN FINAL PWB AND AS INFORMATION NOTE TO THE PROGRAMME AND FINANCE COMMITTEES

THE CONFERENCE,

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

Having considered the proposed total net appropriation of USD 995,800,000 for the financial period 2010-11 at the 2008-09 rate of Euro 1= USD 1.36 which assumes US dollar and Euro expenditure equal to USD xxx and Euros xxx;

Having considered that the above net appropriation is equivalent to USD xxx at the budget rate of Euro 1 = USD 1.38 established for 2010-11 after translation of the Euro portion;

1. **Approves** the Programme of Work proposed by the Director-General for 2010-11 as follows:

- a) Appropriations are voted at a rate of Euro 1 = USD 1.38 for the following purposes:

USD

Chapter 1:	Sustainable Food Production and Management of Natural Resources
Chapter 2:	Improved Food Security and Safety
Chapter 3:	Livelihoods and Rural Equity
Chapter 4:	Effective collaboration with member states and stakeholders
Chapter 5:	Efficient and effective administration
Chapter 6:	FAO Representations
Chapter 7:	Technical Cooperation Programme
Chapter 8:	Capital Expenditure
Chapter 9:	Security Expenditure
Chapter 10:	Contingencies

Total Appropriation (Net)

Chapter 11: Transfer to Tax Equalization Fund

Total Appropriation (Gross)

- b) The appropriations (net) voted in paragraph (a) above minus estimated Miscellaneous Income in the amount of USD xxx shall be financed by assessed contributions from Member Nations of USD xxx to implement the Programme of Work.
- c) Such contributions shall be established in US dollars and Euro and shall consist of USD xxx and Euro xxx. This takes into account a split of % US dollars and % Euro for the appropriations (net) and of % for US dollars.
- d) An additional amount of USD xxx shall also be financed by assessed contributions from Member Nations to fund the amortization of After-service Medical Coverage (ASMC). The contributions shall be established in US dollars and Euro, taking into account a split of % US dollars and % euro, and shall therefore amount to USD xxx and Euro xxx.
- e) 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 xxx. Such contributions due from Member Nations in 2010 and 2011 shall be

paid in accordance with the scale of contributions adopted by the Conference at its Thirty-sixth Session.

- f) 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 xxx has been foreseen for this purpose.
2. **Encourages** Members to provide voluntary contributions to facilitate implementation of the unified Programme of Work under the Results Framework.

(Adopted on zz November 2009)

IV. Biennial Programme of Work

212. The proposed biennial Programme of Work is based on the requirements to achieve the two-year targets for each Organizational Result under the results frameworks presented in the Medium Term Plan for the Strategic Objectives and Functional Objectives. It also sets out the associated requirements for country offices, the Technical Cooperation Programme, and Capital and Security Expenditure.

213. In line with the integrated presentation of resources, the requirements are funded from the net appropriation (assessed budget) and an estimate of extra-budgetary resources (broken down by Core Voluntary Contributions, Support to the Field Programme and Assistance to Member Countries, and Emergency Assistance).

Resource parameters

214. Under the new integrated results-based planning framework, Heads of Departments/Offices were responsible for allocating their net appropriation resource targets and estimates of extra-budgetary resources to the Organizational Results, based on the nature of their required biennial contribution in terms of products and services as agreed with the Strategy Team. These contributions, so-called “Unit Results”, will be further developed during the work planning process prior to implementation.

215. The net appropriation targets were adjusted, by reallocating some of the savings from delayering, to ensure that certain high priority areas of work received additional resources in the final allocations, in line with the most recent guidance from the governing bodies. These include: statistics, Right to Food, EMPRES, livestock, climate change, fisheries and forestry.

216. The estimates of extra-budgetary resources were derived from currently operational projects that will have budgeted resources in the biennium 2010-2011, projects in the pipeline, and prospects for additional voluntary contributions. The prospects were estimated from contacts with donors and incremental requirements for core activities and the IPA.

Results frameworks with biennial resources

217. Therefore, this section of the PWB provides the first biennial “tranche” of implementation of the comprehensive four-year programme of work set out in the Medium Term Plan 2010-11. The programme of work presentation is limited to the Organizational Results, Indicators and 2-year targets, with a breakdown of resources by net appropriation and estimates of extrabudgetary funding. The same information is summarized in *Annexes II and III*, and the regional dimension is provided in *Annex V*.

**STRATEGIC OBJECTIVE A –
SUSTAINABLE INTENSIFICATION OF CROP PRODUCTION**

Strategic Objective A (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
A1	18,343	6,273	35,627	0	41,900	60,243
A2	13,163	5,616	3,081	3,000	11,698	24,860
A3	6,779	1,365	8,051	0	9,416	16,194
A4	9,295	2,984	16,092	110,000	129,076	138,371
Total	47,579	16,237	62,851	113,000	192,089	239,668

Organizational Result A1 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels

Lead Unit: AGP

Indicator	Target (2 years)
A1.1 New or enhanced national or regional policies, strategies or programmes on food security, sustainable crop production intensification or diversification, including responses to climate change	3 countries with policies/strategies/programmes on sustainable crop production intensification 27 national Food Security programmes 6 regional Food Security programmes 2 countries with policies, strategies or programmes on crop diversification
A1.2 Intergovernmental fora, including Committee on Agriculture (COAG), International Rice Commission (IRC) and Commission on Sustainable Development (CSD), provide guidance for the sustainable intensification of crop production	COAG, CSD, IRC
A1.3 Number of countries with policies, programmes, strategies or projects to test, document and adopt practices that manage agricultural biodiversity and ecosystem services and preserve biodiversity, including through the application of the concept payments for environmental services in agricultural production landscapes	2

Organizational Result A2 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels

Lead Unit: AGP

Indicator	Target (2 years)
A2.1 Adoption by the Commission on Phytosanitary Measures (CPM) of new or revised International Standards for Phytosanitary Measures (ISPMs), supplements, annexes, phytosanitary treatments and	51 international standards Standards implemented appropriately in 60 developing countries

diagnostic protocols and appropriate implementation of international standards by developing countries	
A2.2 Percentage of desert locust affected countries and those affected by major non-locus transboundary plant pests receiving forecasts and other information including control strategies	<i>100% of locust-affected countries and those affected by major non-locus transboundary plant pests</i>
A2.3 Number of national contingency plans developed for specific pest and disease threats other than desert locust, including weeds and woody plants	2
A2.4 Number of countries applying preventive locust control systems or area-wide integrated application of Sterile Insect Techniques	<i>12 countries for locusts</i> <i>13 country using SITs</i>
Organizational Result A3 - Risks from pesticides are sustainably reduced at national, regional and global levels	
Lead Unit: AGP	
Indicator	Target (2 years)
A3.1 Number of countries having adopted measures to improve the life cycle management of pesticides aimed at reducing risks to human health and the environment	20
A3.2 Countries improving regulatory control of the distribution and use of pesticides in accordance with international codes and conventions	20
A3.3 Countries establishing or expanding Integrated Pest Management programmes to reduce reliance on pesticides	40
A3.4 Number of countries that join the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade or take measures for its implementation	<i>134 countries have joined the Rotterdam Convention</i> <i>10 developing countries have taken measures to implement the Rotterdam Convention</i>
Organizational Result A4 - Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels	
Lead Unit: AGP	
Indicator	Target (2 years)
A4.1 Number of countries joining the International Treaty on Plant Genetic Resources for Food and Agriculture (IT-PGRFA), or adopted national regulations for its implementation	<i>125 countries have joined the IT-PGRFA</i> <i>5 countries adopted national regulations/policies</i>
A4.2 Number of countries that have developed national PGRFA strategies/policies and national informations sharing mechanisms (NISM) to reinforce the links among conservation, plant breeding and seed systems, in conformity with the Global Plan of Action for the Conservation and Sustainable Utilisation of Plan Genetic Resources for Food and Agriculture (GPA-PGRFA)	<i>2 developing countries</i> <i>9 countries update NISMs for monitoring GPA implementation</i>
A4.3 Number of countries that have technical capacities and information on conservation, plant breeding, seed systems, biotechnology-biosafety and nuclear techniques,	<i>5 countries</i> <i>1 subregion</i>

and number of sub-regions that have harmonised and endorsed seed- related regulatory frameworks	
A4.4 Number of countries that have programmes at community level for management of PGRFA and seed production on-farm, including through Disaster Risk Management tools to respond to environmental risks and challenges	<i>5 countries</i> <i>5 countries apply Disaster Risk Management (DRM) tools</i>

STRATEGIC OBJECTIVE B – INCREASED SUSTAINABLE LIVESTOCK PRODUCTION

Strategic Objective B (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
B1	10,339	3,652	6,635	11,062	21,348	31,687
B2	11,795	1,764	9,267	115,917	126,947	138,742
B3	6,230	864	5,831	0	6,695	12,926
B4	2,397	0	0	0	0	2,397
Total	30,760	6,280	21,733	126,979	154,991	185,751

Organizational Result B1 – The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development

Lead Unit: AGA

Indicator	Target (2 years)
B1.1 Number of countries implementing FAO- advised measures to enhance the efficiency and productivity of their livestock sector	35
B1.2 Number of National and Regional Programmes for Food Security with functioning livestock components	20 national and 6 regional programmes

Organizational Result B2 - Reduced animal disease and associated human health risks

Lead Unit: AGA

Indicator	Targed (2 years)
B2.1 Number of the most significant animal and zoonotic, food- and vector-borne diseases covered by the FAO/OIE/WHO Global Early Warning System (GLEWS) platform on animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)	Most terrestrial and aquatic animal and zoonotic diseases (as identified / updated by GLEWS and derived from criteria set- up in the Terrestrial and Aquatic Animal Health Codes and the International Health Regulations (IHR 2005)
B2.2 Number of developing and transition countries implementing national / regional action, facilitated and supported by FAO for prevention and control of priority animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)	75
B2.3 Number of developing and transition countries implementing / investing in a regulatory framework for animal health system governance that emphasises disease prevention and control capabilities and incorporates public-private partnerships and inter-sectoral collaboration requirements (One World-One Health orientated)	40

Organizational Result B3 - Better management of natural resources, including animal genetic resources, in livestock production	
<i>Lead Unit: AGA</i>	
Indicator	Target (2 years)
B3.1 Number of countries implementing actions to mitigate the impact of livestock on environment and climate change	10
B3.2 International agreements in which FAO's role in animal genetic resources and livestock-environment issues is recognised	<i>CBD/UNFCCC recognizing FAO's normative role and responsibility in GRFA/post-Kyoto negotiations on agriculture, including livestock</i>
B3.3 Number of developing and transition countries implementing national strategies and action plans (based on Global Plan of Action) for the improved management and conservation of animal genetic resources	10
Organizational Result B4 - Code of Conduct for a Responsible Livestock Sector	
<i>Lead Unit: AGA</i>	
Indicator	Target (2 years)
B4.1 Status of negotiation of a Code of Conduct for a Responsible Livestock Sector	<i>COAG decision whether to negotiate code of conduct</i>

**STRATEGIC OBJECTIVE C -
SUSTAINABLE MANAGEMENT AND USE OF FISHERIES
AND AQUACULTURE RESOURCES.**

Strategic Objective C (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
C1	18,226	6,748	5,081	0	11,828	30,054
C2	7,346	6,648	4,423	0	11,071	18,417
C3	7,325	8,273	15,378	0	23,651	30,976
C4	9,416	5,917	5,164	(0)	11,080	20,496
C5	5,205	3,167	2,373	16,000	21,540	26,745
C6	6,444	4,467	4,049	0	8,515	14,959
Total	53,963	35,219	36,467	16,000	87,685	141,648

Organizational Result C1 - Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues

Lead Unit: FI

Indicator	Target (2 years)
C1.1 Number of countries and RFBs that have developed at least one component of an appropriate policy and regulatory framework for the implementation of the CCRF and related instruments, including the formulation, adoption or implementation of policies, plans of action, laws and regulations and bilateral and regional agreements with specific attention to small-scale fisheries, over-capacity and IUU fishing	5 countries 3 RFBs
C1.2 Number of international fisheries instruments (including international guidelines and legally binding instruments), that have been adopted under the auspices of FAO	3 Chair's drafts
C1.3 Number of countries and RFBs whose statistical collection and reporting systems ensure annual reporting at a species level	5 countries 3 RFBs

Organizational Result C2 - Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs

Lead Unit: FIE

Indicator	Target (2 years)
C2.1 Number of countries that have strengthened their institutions and institutional arrangements or created new ones where needed, resulting in significant impact on the governance of the sector	5 countries
C2.2 Number of RFBs that have conducted assessments of their performance and have taken steps to improve it	3 RFBs

C2.3 Number of new RFBs/Aquaculture networks (AqN) established in response to gaps identified in the governance of shared resources	<i>Draft statutes or agreements of 2 RFBs/AqNs</i>
Organizational Result C3 - More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use Lead Unit: FIM	
Indicator	Target (2 years)
C3.1 Number of marine and inland stocks or populations that have been assessed using the best scientific evidence available and also taking into account traditional and local knowledge as appropriate	5
C3.2 Global mean level of overexploited, depleted and recovering national and international stocks or populations	28%
C3.3 Number of countries and RFBs that have formally adopted fisheries management plans or equivalent frameworks for their marine and inland capture fisheries and their marine and inland water ecosystems, which are consistent with the Code of Conduct and EAF and take into account the specific needs and contributions of small-scale fisheries	4 countries 2 RFBs
Organizational Result C4 - Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture Lead Unit: FIM	
Indicator	Target (2 years)
C4.1 Percentage increase in the global aquaculture output and output related to rural development and livelihoods	5% increase (global output) 2% increase (output related to rural development)
C4.2 Percentage decrease in the global use of fishmeal	5% decrease
C4.3 Percentage increase in the global consumption of farmed fish products coming from sustainable aquaculture practices	5% increase
Organizational Result C5 - Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels Lead Unit: FII	
Indicator	Target (2 years)
C5.1 Number of countries where fisheries are harvested using environmentally-friendly, safe, technically and economically efficient fishing vessels, fishing gear and fishing practices	5 countries
C5.2 Number of countries and RFBs having established an operational vessel monitoring system (VMS) to their enhanced capacity for monitoring, control and surveillance (MCS)	5 countries 3 RFBs
Organizational Result C6 - Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements Lead Unit: FII	
Indicator	Target (2 years)
C6.1 Number of countries that have adopted good practices for fish utilization, marketing and trade, both at the government and industry levels	5 countries

C6.2 Number of developing countries whose income from national, regional and international fish trade has increased by a minimum of 5%	<i>5 countries</i>
C6.3 Number of countries that have harmonized their fish trade laws, regulations and practices, including those applicable to seafood safety, with internationally-agreed requirements and standards	<i>5 countries</i>

**STRATEGIC OBJECTIVE D -
IMPROVED SAFETY AND QUALITY OF FOOD AT ALL STAGES
OF THE FOOD CHAIN**

Strategic Objective D (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
D1	12,825	3,937	1,474	0	5,411	18,236
D2	3,344	1,164	32	0	1,197	4,541
D3	4,176	1,731	7,682	2,000	11,413	15,588
D4	3,633	0	142	0	142	3,775
Total	23,978	6,832	9,330	2,000	18,163	42,141

Organizational Result D1 - New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization Lead Unit: AGN	
Indicator	Target (2 years)
D1.1 Number of national contact points that exchange information at least monthly with Codex Secretariat and with other Member States through the “MyCodex” Web page	20
D1.2 Percentage of countries reporting their use of Codex standards at Codex Regional Coordinating Committee meetings and on regional Codex Web sites	20% in each of 3 regions
D1.3 Percentage of FAO/WHO Expert Body outputs (food safety, quality and nutrient requirements) incorporated or utilized by relevant Codex Committees in the development of relevant of internationally-agreed standards and recommendations	80%
Organizational Result D2 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach Lead Unit: AGN	
Indicator	Target (2 years)
D2.1 Number of countries that have developed or adopted national food safety/quality policies on the basis of sound assessments and through participative processes	8
D2.2 Number of countries that have assessed their food safety/quality legislative frameworks, to identify legislative drafting priorities and to develop/adopt required legislation	8

D2.3 Number of countries whose institutional frameworks for coordinated food control along the food chain incorporate FAO best practices	8
Organizational Result D3 - National/ regional authorities are effectively designing and implementing programmes of food safety and quality management and control according to international norms <i>Lead Unit: AGN</i>	
Indicator	Target (2 years)
D3.1 Number of countries that have developed risk-based food safety programmes which apply FAO best practices	4
D3.2 Number of countries which provide efficient and uniform food inspection and certification services meeting international recommendations	6
D3.3 Number of countries that have expanded their food analysis capacities in terms of a wider lists of analytical tests available or upgrading the quality of test results	5
D3.4 Number of countries which have adopted a national food safety emergency response plans as an integrated component of the national disaster and emergency reponse plan with an action plan for developing the capacities necessary for its effective implementation	5
D3.5 Number of countries that have developed national strategies and implementation action plans for building public awareness and education on food safety and quality, including health and nutritional benefits of local/traditional foods	8
Organizational Result D4 - Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements <i>Lead Unit: AGN</i>	
Indicator	Target (2 years)
D4.1 Number of countries that have developed holistic and integrated strategies and action plans for promoting compliance with good agricultural, manufacturing and hygiene practices based on sound assessments of key sub-sectors	8
D4.2 Number of countries that comprehensively incorporate food safety/hygiene considerations into programmes of good practice in primary production	10

D4.3 Number of countries with programmes of technical assistance to food business in food safety/quality management that incorporate FAO best practices in food safety	8
D4.4 Number of countries with programmes to strengthen the capacity of farmers and businesses to comply with voluntary food quality and production standards and schemes	4

STRATEGIC OBJECTIVE E - SUSTAINABLE MANAGEMENT OF FORESTS AND TREES

Strategic Objective E (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
E1	9,334	23,309	4,743	0	28,052	37,386
E2	5,709	127	1,156	0	1,282	6,992
E3	6,424	12,192	4,315	0	16,507	22,931
E4	5,712	878	5,108	379	6,364	12,076
E5	7,086	4,167	8,765	5,000	17,932	25,018
E6	7,095	4,072	3,876	0	7,948	15,043
Total	41,361	44,744	27,962	5,379	78,084	119,445

Organizational Result E1 - Policy and practice affecting forests and forestry are based on timely and reliable information

Lead Unit: FOM

Indicator	Targets (2 years)
E1.1 Number of countries that complete a comprehensive improved national forest monitoring and assessment (NFMA) meeting FAO standards	10
E1.2 Number of countries that submit complete reports for the global Forest Resources Assessment (FRA) 2010	150

Organizational Result E2 - Policy and practice affecting forests and forestry are reinforced by international cooperation and debate

Lead Unit: FOE

Indicator	Targets (2 years)
E2.1 Number of countries that are represented at regional forestry commissions and COFO by senior forestry officials, and who find the meeting to be relevant and useful based on structured post-meeting surveys	90 (COFO) To be determined for regional forestry commissions
E2.2 Number of formal initiatives under Collaborative Partnership on Forests (CPF) undertaken by two or more CPF organizations	3

Organizational Result E3 - Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses.

Lead Unit: FOE

Indicator	Targets (2 years)
E3.1 Number of partner countries where the National Forest Programme Facility makes a positive impact as assessed by the Facility impact assessment tool	40

E3.2 Number of countries that have updated their forest policies or laws following best participatory practices	27
Organizational Result E4 - Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation. Lead Unit: FOM	
Indicator	Targets (2 years)
E4.1 Number of countries following FAO good practices for planted forests or forest harvesting	10
E4.2 Number of countries using community-based approaches to fire management in at least 100 communities	5
E4.3 Increased number of recipient countries participating in comprehensive programmes intended to reduce deforestation and forest degradation (REDD)	8
Organizational Result E5 - Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically viable land-use option Lead Unit: FOE	
Indicators	Targets (2 years)
E5.1 Increase in developing countries' share of global forest products-export (FAOSTAT All Forest Products).	25%
Organizational Result E6 - Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented Lead Unit: FOM	
Indicator	Targets (2 years)
E6.1 Number of countries that have integrated guidelines on conservation and sustainable use of forest biodiversity at genetic, species and ecosystem levels in the management of forests and protected areas	5
E6.2 Number of countries that provide reports on the State of the World's Forest Genetic Resources (to be completed by 2013)	80
E6.3 Number of countries that have adopted FAO guidelines for integrating climate change strategies into national forest policies	10

**STRATEGIC OBJECTIVE F -
SUSTAINABLE MANAGEMENT OF LAND, WATER AND GENETIC
RESOURCES AND IMPROVED RESPONSES TO GLOBAL
ENVIRONMENTAL CHALLENGES AFFECTING FOOD AND
AGRICULTURE**

Strategic Objective F (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
F1	10,366	3,552	7,778	0	11,330	21,697
F2	11,042	3,425	27,328	1,001	31,754	42,796
F3	4,440	4,513	1,159	0	5,672	10,112
F4	4,875	10,746	717	4,000	15,462	20,337
F5	12,124	6,029	8,350	2,000	16,380	28,503
F6	8,802	3,476	762	0	4,238	13,041
Total	51,648	31,741	46,095	7,001	84,837	136,486

Organizational Result F1 - Countries promoting and developing sustainable land management

Lead Unit: NRL

Indicators	Target (2 years)
F1.1 Number of countries whose land resources databases and geospatial infrastructure meet FAO standards/criteria	5 additional countries
F1.2 Number of countries whose national land use plans, national strategies and national land use legislation are consistent with FAO guidelines and policies for sustainable land management, including in environments at greatest risk (particularly drylands/ mountains/ coastal zones)	5
Organizational Result F2 - Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems	
Lead Unit: NRL	
Indicators	Target (2 years)
F2.1 Number of countries or river-basin organizations whose water-scarcity coping strategies adopt FAO recommendations	4
F2.2 Number of institutions which have adopted FAO water productivity enhancement tools and approaches	8
F2.3 Number of monthly visits to the FAO Water Web site	48,000

Organizational Result F3 - Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources Lead Unit: NRL	
Indicators	Target (2 years)
F3.1 Number of major outputs and milestones achieved, as defined by the Commission on Genetic Resources for Food and Agriculture (CGRFA) in its Multi-Year Programme of Work on biodiversity for food and agriculture which have been achieved	<i>One milestone and two major outputs achieved</i>
F3.2 Number of operational joint work plans or cooperation arrangements on biodiversity for food and agriculture with international fora, such as the Convention on Biological Diversity, the World Intellectual Property Organization and the International Treaty on Plant Genetic Resources for Food and Agriculture	2
Organizational Result F4 - An international framework is developed and countries' capacities are reinforced for responsible governance of access to and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development Lead Unit: NRC	
Indicators	Target (2 years)
F4.1 International consensus on measures to improve governance of access to, and secure and equitable tenure of land, and its interface with other natural resources	<i>Draft voluntary guidelines</i>
Organizational Result F5 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy Lead Unit: NRC	
Indicators	Target (2 years)
F5.1 Number of countries that have developed action plans to address the challenges of climate change mitigation and adaptation in agriculture	<i>5 additional countries</i>
F5.2 Number of countries that have developed policies, strategies or action plans to address the challenges and opportunities of bioenergy development	<i>At least 7 additional countries</i>
F5.3 Interactions and linkages between food security, sustainable natural resources management, poverty reduction, and sustainable bioenergy development recognised and addressed explicitly in international fora, as well as in existing and new Multilateral Environmental Agreements	<i>1. Interactions and linkages between food security, sustainable natural resources management, poverty reduction, and sustainable bioenergy development reflected in the 1st draft standard of the Roundtable on Sustainable Biofuels (RSB) and the first framework of sustainability criteria and indicators of the Global Bioenergy Partnership (GBEP)</i> <i>2. At least two FAO meetings on bioenergy and food security/poverty standards</i>

Organizational Result F6 - Improved access to and sharing of knowledge for natural resource management	
Lead Unit: OEK	
Indicators	Target (2 years)
F6.1 Number of countries with projects in place to enhance capacities of research and extension systems for sustainable natural resource management	20
F6.2 Number of countries implementing programmes and strategies of communication for development for sustainable natural resource management	25

**STRATEGIC OBJECTIVE G -
ENABLING ENVIRONMENT FOR MARKETS TO IMPROVE LIVELIHOODS AND
RURAL DEVELOPMENT**

Strategic Objective G (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
G1	9,256	1,719	12,670	14,862	29,251	38,507
G2	2,791	2,111	8,910	0	11,020	13,812
G3	7,021	1,389	7,869	0	9,257	16,279
G4	20,139	981	1,073	0	2,054	22,193
Total	39,208	6,199	30,521	14,862	51,582	90,790

Organizational Result G1 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements

Lead Units: AGS/EST/ESA

Indicator	Targets (2 year)
G1.1 Number of countries and regional or subregional organizations that have implemented policy developments or strategy reforms to help small producers respond and improve their access to output and input markets	<i>3 countries and 2 regions or subregions</i>
G1.2 Number of countries that are implementing plans to reorient their extension services to support small producers in exploiting market opportunities.	4

Organizational Result G2 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships

Lead Units: ESW/NRL

Indicator	Target (2 year)
G2.1 Number of requests for FAO analyses of patterns and trends of farm and non-farm employment	20
G2.2 Number of countries which have developed agriculture programmes and policies that promote approaches to rural employment, access to land and income diversification	4

Organizational Result G3 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries	
Lead Units: AGS/EST	
Indicator	Target (2 year)
G3.1 Number of countries with strategies for improving agribusiness competitiveness in their agricultural and rural development (ARD) policies	+5
G3.2 Number of countries with institutional mandates for: rural and small producer development; fostering public-private cooperation; and agro-industry sector oversight and coordination.	6 more countries have begun process
G3.3 Number of countries that have official documented mechanisms for including the private sector, including commercially-oriented small producers, in rural development strategies	5
Organizational Result G4 - Countries have increased awareness of, and capacity to, analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies	
Lead Unit: EST	
Indicator	Target (2 year)
G.4.1 Trend in the number of page views/visits to FAO web sites containing information on international agricultural commodity markets, trade policy and related trade negotiations' issues and their impacts on small producers and rural development	Increase/same
G4.2 The number of times in which FAO analysis of international agricultural commodity markets, trade policies and negotiating issues are cited in citation indices relative to comparable international organizations	+5%
G4.3 Percentage of officials receiving FAO training in trade negotiation and in analysis of policy options and trade policy formulation to enhance small producer livelihood and promote rural development giving a positive trainee evaluation	80%

**STRATEGIC OBJECTIVE H -
IMPROVED FOOD SECURITY AND BETTER NUTRITION**

Strategic Objective H (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
H1	15,174	1,795	47,616	2,310	51,721	66,895
H2	3,929	2,399	3,520	0	5,919	9,848
H3	3,495	34	2,577	0	2,610	6,106
H4	11,356	1,915	7,628	0	9,543	20,899
H5	23,310	3,459	16,635	(0)	20,093	43,403
Total	57,264	9,601	77,976	2,309	89,887	147,151

Organizational Result H1 - Countries and other stakeholders have strengthened capacity to formulate, implement and monitor coherent policies, strategies and programmes that address the root causes of hunger, food insecurity and malnutrition

Lead Unit: ESA

Indicator	Target (2 years)
H1.1 Number of countries' Regional Economic Integration Organisations (REIOs) that have formulated sectoral and cross-sectoral food security and nutrition policies, strategies or programmes (including NPFS/RPFS)	(i) 11 countries (NPFS) and 2 REIOs (RPFS) (ii) ex-ante policy/programme assessments in 3 countries
H1.2 Number of countries and REIOs that have implemented sectoral and cross-sectoral food security and nutrition policies, strategies and programmes (including NPFS/RPFS)	(i) 27 NPFS and 6 RPFS (ii) 5 countries (food security and nutrition policies)
H1.3 Number of countries piloting a cross-sectoral results-based policy and programme monitoring system covering food insecurity, hunger and/or malnutrition concerns	2

Organizational Result H2 - Member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realisation of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security

Lead Unit: ESA

Indicator	Target (2 years)
H2.1 Number of countries in which institutions have adopted and applied principles of good governance in the formulation, implementation or monitoring of food and nutrition policies and programmes	3
H2.2 Number of countries that have developed or strengthened legal, institutional, or policy frameworks for the progressive realisation of the right to adequate food	7
H2.3 Number of countries that have developed human rights- based policies and programmes targeted specifically at food insecure and vulnerable groups	7

H2.4 Number of countries that have undertaken advocacy, communication and education strategies in support of good food security governance and the right to food	7
H2.5 Number of FAO policy documents that provide ways and means to strengthen global food security governance	2
Organizational Result H3 - Strengthened capacity of Member countries and other stakeholders to address specific nutrition concerns in food and agriculture	
Lead Unit: AGN	
Indicator	Target (2 years)
H3.1 Number of countries that have incorporated nutrition objectives into at least 3 sectoral policies or into their Poverty Reduction Strategy (PRS)	5
H3.2 Number of countries that have assessed and analysed the impact of changing food systems on nutrition	2
H3.3 Number of countries that have developed and endorsed national dietary guidelines or that have implemented national nutrition education programmes in at least two sectors (agriculture and education)	5
Organizational Result H4 - Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition	
Lead Unit: ESS	
Indicator	Target (2 years)
H4.1 Number of countries using FAO guidelines, methodologies or standards for collecting, analysing and disseminating data and statistics on food and agriculture	10
H4.2 Number of countries supported by FAO to conduct training in data collection, compilation, analysis or dissemination of food and agricultural statistics	15
H4.3 Access to FAO databases and statistical publications as measured by the average number of hits per month on the FAOSTAT Web site	6.5 million
Organizational Result H5 - Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge	
Lead Unit: ESA	
Indicator	Target (2 years)
H5.1 Average number of web visitors per month searching for FAO knowledge and information resources, products or expertise on food security, agriculture and nutrition	5 million
H5.2 Number of FAO flagship publications and peer reviewed books or journal articles on FAO research and analysis on food security, agriculture and nutrition	To be determined
H5.3 Member countries and other stakeholders use FAO standards, tools, and systems for information management and knowledge sharing	To be determined

**STRATEGIC OBJECTIVE I -
IMPROVED PREPAREDNESS FOR, AND EFFECTIVE RESPONSE TO,
FOOD AND AGRICULTURAL THREATS AND EMERGENCIES**

Strategic Objective I (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
I1	4,399	2,118	3,311	48,685	54,114	58,512
I2	1,938	2,362	1,562	47,317	51,242	53,180
I3	1,074	597	26,018	240,246	266,861	267,935
Total	7,410	5,077	30,892	336,248	372,217	379,627

Organizational Result I1 – Countries’ vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions

Lead Unit: None

Indicator	Target (2 years)
I1.1 Number of countries whose national early warning systems for agriculture and food security have shifted from category 2 to category 1 or from category 3 to category 2 established	(Number under finalisation)
I1.2 Number of countries where FAO has a significant emergency portfolio, whose contingency plans for agriculture and food security have been tested	10
I1.3 Number of high risk disaster hotspot countries whose disaster risk reduction training strategies in agriculture have been field tested and implemented	7
I1.4 Number of high risk disaster hotspot countries with specific Disaster Risk Reduction action plans for agriculture included in their national DRM plans	10

Organizational Result I2 - Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions

Lead Unit: TCE

Indicator	Target (2 years)
I2.1 Number of countries where post-disaster needs assessments lead to coordinated national response plans and activities	5
I2.2 Percentage of countries responding to a new crisis are applying the Cluster approach and implementing agriculture and food security cluster plans that comply with FAO technical criteria for such plans	60%
I2.3 Percentage of countries that have implemented emergency programmes using socio-economic and gender analysis tools that comply with FAO criteria	10%

Organizational Result I3 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development Lead Unit: TCE	
Indicator	Target (2 years)
I3.1 Number of countries that have experienced at least 10% increase in the level of funding provided to agricultural transition	2
I3.2 Number of countries with emergencies that adopt agricultural recovery strategies and/or programmes that integrate short, medium and long-term needs	6

**STRATEGIC OBJECTIVE K -
GENDER EQUITY IN ACCESS TO RESOURCES, GOODS, SERVICES AND
DECISION-MAKING IN THE RURAL AREAS**

Strategic Objective K (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
K1	1,970	18	780	0	798	2,767
K2	2,400	782	2,066	3,000	5,849	8,249
K3	3,062	2,060	3,978	0	6,038	9,101
K4	2,306	18	0	0	18	2,324
Total	9,738	2,879	6,824	3,000	12,703	22,441

Organizational Result K1 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development

Lead Unit: ESW

Indicator	Targets (2 years)
K1.1 Number of countries that have implemented UN joint programmes which contain a rural gender equality component that meets FAO's gender equity criteria.	3
K1.2 Number of "Delivering as One" UN system-wide policy instruments comprise rural gender issues as a result of FAO inputs.	4

Organizational Result K2 - Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources

Lead Unit: ESW

Indicator	Targets (2 years)
K2.1 Number of national institutions receiving FAO's technical support that have adopted the socio-economic and gender analysis (SEAGA) tool for policy formulation and planning.	15
K2.2 Number of countries that collect, analyze, use and disseminating, on a nation-wide basis, sex-disaggregated food security and rural development data.	20

Organizational Result K3 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development

Lead Unit: ESW

Indicator	Targets (2 years)
K3.1 Number of targeted countries whose agricultural and food security policies, laws and regulations have been revised to address rural gender issues affecting access to productive resources.	8

Organizational Result K4 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work Lead Unit: ESW	
Indicator	Targets (2 years)
K4.1 Percentage of products/services in FAO workplans that are gender-sensitive.	10%
K4.2 Number of FAO units at headquarters and decentralized offices that monitor programme implementation against gender-sensitive targets and indicators.	25%

**STRATEGIC OBJECTIVE L -
INCREASED AND MORE EFFECTIVE PUBLIC AND PRIVATE
INVESTMENT IN AGRICULTURE AND RURAL DEVELOPMENT**

Strategic Objective L (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
L1	10,534	12,383	1,391	0	13,775	24,309
L2	7,731	10,133	1,939	2,000	14,072	21,803
L3	17,520	20,629	3,295	0	23,924	41,445
Total	35,786	43,146	6,625	2,000	51,771	87,556

Organizational Result L1 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks

Lead Unit: TCI

Indicator	Target (2 years)
L1.1 Percentage increase in public expenditure in food and sustainable agriculture and rural development (FSARD) in 10 targeted Low-Income Food-Deficit Countries (LIFDCs)	10%
L1.2 Percentage of ODA allocated to FSARD	6.5%

Organizational Result L2 - Improved public and private sector organizations' capacity to plan, implement and enhance the sustainability of food and agriculture, and rural development investment operations

Lead Unit: TCI

Indicator	Target (2 years)
L2.1 Percentage of Investment Centre Division's person weeks on investment development delivered by national experts	18%
L2.2 Percentage of surveyed countries which have demonstrated at least 70% satisfaction level with FAO-provided capacity building in support for investment	60%
L2.3 Number of countries receiving FAO support, in which institutional capacity for agribusiness and agro-industries investment has improved for at least 5 of 20 benchmark indicators	5

Organizational Result L3 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed	
Lead Unit: TCI	
Indicator	Target (2 years)
L3.1 Investment funding of FSARD operations	<i>USD 3.0 billion</i>
L3.2 Number of countries where a minimum of three public-private partnerships for investment in agro-industries have been established with FAO technical support	<i>4</i>
L3.3 FSARD investment quality rating by partner International Financing Institutions (IFIs)	<i>90% satisfactory at entry; 90% satisfactory at supervision; 88% satisfactory at completion</i>

**FUNCTIONAL OBJECTIVE X -
EFFECTIVE COLLABORATION WITH MEMBER STATES AND
STAKEHOLDERS**

Functional Objective X (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
X1	41,031	6,755	3,451	3,757	13,963	54,994
X2	82,516	5,684	1,917	0	7,601	90,117
X3	22,258	2,149	237	0	2,386	24,644
X4	53,289	12,510	0	400	12,910	66,200
Total	199,094	27,098	5,605	4,157	36,860	235,955

Organizational Result X1 - Effective programmes addressing member priority needs developed, resourced, monitored and reported at global, regional and national levels

Lead Unit: TC

Indicator	Target (2 years)
X1.1 Number of policy assistance requests to headquarters and decentralized offices which have been met	Baseline +10%
X1.2 Number of countries where results-based medium term priority frameworks have been adopted, which are aligned with sector policies	10
X1.3 Number of regions where priority action plans have been formulated, informed in part by NMTPFs and Subregional priority action plans	5
X1.4 Percentage of extra-budgetary resources mobilised through IFAs	5%
X1.5 Percentage deviation between the increase in the FAO biennial budgetary receipts recorded in the audited accounts and the average of the four specialized agencies (ILO, UNESCO, UNIDO, WHO)	Maximum 5 % deviation
X1.6 Proportion of headquarters' units and decentralized offices complying with established corporate standards for performance monitoring and operational planning	60%
X1.7 Percentage of donor-funded projects/programmes (including TCP) meeting FAO corporate quality standards during implementation and at the end of each year of implementation	80%

Organizational Result X2 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results	
Lead Unit: KC	
Indicator	Target (2 years)
X2.1 Percent of departmental staff and non-staff resources deployed to Strategic Objectives led by other departments	16%
X2.2 Percent of field projects/ programmes for which technical oversight has been delegated to decentralized offices	20%
X2.3 Share of technical oversight and support outsourced to certified partners	10%
X2.4 Percent of products and services related to information and knowledge management and statistics, and associated information systems, implemented in accordance with FAO's corporate strategy	To be determined
X2.5 Percent products and services related to information systems and technology implemented in accordance with FAO's corporate strategy	80%
X2.6 Average monthly traffic to www.fao.org	3.890 million
X2.7 Average monthly citations of FAO in print/electronic media monitored by Meltwarer service	4137
X2.8 Percent of capacity building products and services implemented in accordance with FAO's corporate strategy	To be determined
X2.9 Percent of policy assistance products and services implemented in accordance with Policy Assistance Node	To be determined
Organizational Result X3 - Key partnerships and alliances that leverage and complement the work of FAO and partners	
Lead Unit: UNC	
Indicator	Target (2 years)
X3.1 Number of partnerships implemented in line with FAO organization-wide strategy on partnerships	To be determined
X3.2 Number of countries where FAO is participating in UN partnerships that are aligned with the FAO strategy on partnerships with the UN system	To be determined
X3.3 Proportion of collaborative arrangements with the Rome-based agencies, WFP and IFAD, that are aligned with joint policy guidance on collaboration	To be determined
X3.4 Number of civil society groups engaged in global governance and/or national reporting mechanisms and/or collaborating in technical programmes and activities of FAO	To be determined
X3.5 Number of partnerships and consultations with the private sector in line with established FAO strategic guidelines at the global, regional and national level	To be determined
X3.6 Percent of FAO evaluations and surveys on partnerships that rate FAO contributions in partnership arrangements as positive	To be determined

Organizational Result X4 - Effective direction of the Organization through enhanced governance and oversight	
<i>Lead Unit: KC</i>	
Indicator	<i>Target (2 years)</i>
X4.1 Percent of the Organization's budget (Regular Programme accruing to the Evaluation Function	<i>0.8%</i>
X4.2 Percent of accepted evaluation recommendations implemented within the agreed timeline	<i>80%</i>
X4.3 Percent of audit recommendations made by AUD that are accepted and implemented by management	<i>80%</i>
X4.4 Percent of all complaints/allegations of fraud and misconduct that are processed and/or investigated within set timeframes	<i>80% of an increasing number of complaints/allegations received</i>
X4.5 Percent of Conference and Council decisions completed by FAO within prescribed deadlines.	<i>80%</i>
X4.6 Percent of documents for governing bodies produced according to statutory requirements	<i>80%</i>

**FUNCTIONAL OBJECTIVE Y -
EFFICIENT AND EFFECTIVE ADMINISTRATION**

Functional Objective Y (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
Y1	65,200	12,286	524	5,200	18,010	83,210
Y2	24,526	2,265	0	3,110	5,375	29,901
Y3	11,829	24,326	0	0	24,326	36,155
Total	101,554	38,877	524	8,310	47,711	149,266

Organizational Result Y1 - FAO's support services are recognised as client-oriented, effective, efficient and well-managed*Lead Unit: CFS*

Indicator	Target (2 years)
Y1.1 Percentage of corporate services covered by a Service-Level Agreement (SLA)	20%
Y1.2 Share of services benchmarked	20%
Y1.3 Percentage of processes and procedures streamlined	20%
Y1.4 Introduction of formal internal control reporting	Preparation underway
Y1.5 Improvement in client satisfaction	50% satisfied

Organizational Result Y2 - FAO is recognised as provider of comprehensive, accurate, and relevant management information*Lead Unit: CFF*

Indicator	Target (2 year)
Y2.1 FAO receives unqualified annual external audit opinion	Biennial unqualified external audit opinion
Y2.2 Percentage of stakeholder organizational units utilising information retrieved from the administrative corporate management information system on a regular basis	Mechanism is established to collect and report on usage of statistics of administrative corporate management information
Y2.3 Improved ability to produce final reports on corporate information through use of standard reporting tools	Reduction in the number of reports that require ad-hoc modification (dependent on establishment of baseline)

Organizational Result Y3 - FAO is recognised as an employer that implements best practices in performance - and people-management, is committed to the development of its staff, and capitalises on the diversity of its workforce*Lead Unit: CFH*

Indicator	Target (2 years)
Y3.1 Percentage of managers who completed the FAO Core Managerial Training programme (% of all P5-above)	19%
Y3.2 Competency improvement ratios (based on % of staff taking part in PEMS and their increase in competency rating)	85% of staff participate in PEMS; 20% increase in competency ratings.

Y3.3 Percentage increase in mobility in workforce measured by a reduction of staff members in same grade or post for the last eight years	16%
Y3.4 Improved gender representation at all levels measured by proportion of female staff by category	<i>GS: To be determined; P: 36%; D: 18%</i>
Y3.5 Percentage number of Member countries that are equitably represented	64%
Y3.6 Increased client satisfaction with HR policies	50%

FAOR PROGRAMME

FAOR (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra- budgetary	Total
FAOR01 - Effective country network coverage and implementation in Africa	39,929	537	3,828	1,672	6,037	45,966
FAOR02 - Effective country network coverage and implementation in Asia Pacific	13,666	340	2,175	950	3,465	17,131
FAOR04 - Effective country network coverage and implementation in Latin America	14,978	641	2,262	988	3,891	18,869
FAOR05 - Effective country network coverage and implementation in Near East	6,655	181	348	152	681	7,336
FAOR07 - Effective country network coverage and implementation in Europe	2,116	0	87	38	125	2,241
Total	77,343	1,699	8,700	3,800	14,199	91,542

218. The FAOR programme is presented as a separate Chapter in the Appropriations Resolution for budgetary purposes, as further outlined in *Section III.D*.

219. It should be noted that the extra-budgetary resources for projects operated by the FAORs are shown under the substantive Organizational Results. Therefore, the extra-budgetary resources for emergencies and assistance to member countries in the above table relate mainly to administrative and operation support cost income these offices are expected to earn for projects they operate during the biennium.

TECHNICAL COOPERATION PROGRAMME

TCP (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra- budgetary	Total
TCP01 - TCP Management and Support	4,292	0	0	0	0	4,292
TCP02 - TCP - Projects	104,929	0	0	0	0	104,929
Total	109,221	0	0	0	0	109,221

220. The Technical Cooperation Programme is presented as a separate chapter in the Appropriations Resolution for budgetary purposes, as further outlined in *Section III.D*. As shown in the table above, the two main components are TCP Management and Support, which - with decentralization of the programme - will be shared between headquarters and the decentralized offices, and TCP Projects, providing direct assistance to member countries. As noted in *Section I.D* on TCP, USD 0.9 million in savings under TCP Management and Support has been shifted to TCP-Projects.

CAPITAL EXPENDITURE

Capital Expenditure (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
801 - Core ICT Infrastructure	2,884	0	0	0	0	2,884
802 – Corporate Administrative Applications	4,833	0	0	0	0	4,833
803 - Corporate Technical Applications	5,169	0	0	0	0	5,169
804 - Electronic Content and Document Management Systems	2,650	0	0	0	0	2,650
805 - IPSAS (including FAS)	10,700	0	0	0	0	10,700
806 - Management Information Systems	5,300	0	0	0	0	5,300
807 - Support Human Resources Management Framework	4,068	0	0	0	0	4,068
808 - Carryover	(5,000)	0	0	0	0	(5,000)
Total	30,604	0	0	0	0	30,604

1. Core ICT Infrastructure:

221. The Core ICT infrastructure project covers the provision of servers, storage and communication networks, including telephony and email, that underpin the IT services and information systems of the Organization. It ensures a performant, sustainable and efficient ICT infrastructure to support the business needs of the Organization. Three major investments are planned:

- a common server infrastructure which will take advantage of modern technologies, including virtualization, to provide a more cost-effective, performant and resilient platform for hosting FAO information systems;
- upgrade of servers in Decentralized Offices, following the successful completion of the desk-to-desk e-mail rollout, improving service reliability by replacing old hardware, and allowing staff to use software packages compatible with those used by business partners; and
- enhancement of the Wide Area Network, as outlined in the corresponding IPA action. This will improve access to corporate information systems, support knowledge and information sharing, and will improve communications with headquarters and among Decentralized Offices through the deployment of high-quality videoconferencing.

2. Corporate Administrative Applications:

222. The corporate administrative systems project provides for upgrades to Enterprise Resource Planning (ERP) systems to meet business needs. Three major investments are planned:

- bringing the corporate environment to current industry standards through an upgrade of the Oracle ERP, providing synergies with other major initiatives such as IPSAS and thus considerable savings to the Organization, as well as allowing for more flexibility in the selection of solutions to both headquarters and decentralized offices business needs;

- replacement of the Atlas travel system in view of limitations of this proprietary software; and
- consolidation of proprietary and obsolete administrative systems across the Organization to bridge functionality gaps and eliminate duplication.

3. Corporate Technical Applications:

223. The Corporate Technical Applications projects will enhance particularly corporate frameworks and technical data repositories utilized to manage technical information in support of the Organization's core business. Projects in this group include:

- the establishment of an organisational corporate data repository, defined as a reliable, robust, secure and scalable facility to store, organise, integrate, locate and retrieve the interdisciplinary substantive and scientific data of FAO;
- upgrading of FAOSTAT through: 1) a corporate quality framework for agriculture, forestry and fisheries statistics in accordance with recommendation 3.5 of the Independent Evaluation on Statistics (IES), along with a working system for adoption by ESS and other divisions; 2) a statistical data warehouse to integrate the Organization's time series data in conformity with the corporate quality framework; and
- a project, continued from 2008/09, to facilitate the conversion, preparation, loading and documentation of existing media collections and extension of this media base to serve needs of information systems, including the corporate technical data repository.

4. Electronic Content and Document Management Systems:

224. Electronic content and document management systems (CMS, DMS) provide a "paperless" environment where appropriate and automated workflows to facilitate review and approval. A number of CMS and DMS initiatives in the past have resulted in various solutions using different technologies. A number of new initiatives will be undertaken to establish solutions that meet both corporate and departmental operational needs:

- expansion of the document and workflow management system, currently utilized on a limited basis, across the Organization. This will allow for the creation, and dissemination of documents within business units as well as across departments;
- establishment of a corporate CMS solution to store, access, and disseminate various types of electronic content to dispersed communities. This includes not only textual information but also various other types of graphical and multimedia elements, which are widely utilized across the Organization and outside. This solution will bring together content management environments and interactive collaboration tools into a cohesive environment using integrated technical solutions;
- a centralized registry solution that will allow integration with email, content and document management systems thus eliminating the need for keeping multiple copies of the same document in various locations and allowing closer cooperation between registries; and
- replacement of a document processing request solution developed several years ago to be placed in a wider document management functional context and based on more up-to-date and standard technological framework.

5. IPSAS (including FAS):

225. IPSAS, including the Field Accounting System (FAS) replacement project, is a UN system-wide initiative to adopt best practice international accounting standards to produce transparent and reliable financial reporting. It will be the foundation for providing complete, comparable and readily-understood financial information, leading to better decision-making and use of resources. FAS replacement, which has been integrated into the IPSAS project, will support the needs of the decentralized offices as regards the recording, accounting and reporting of financial transactions.

6. Management Information Systems:

226. Management Information Systems must respond to long standing corporate needs, including operational reporting and data analysis requirements, support to decision making at the managerial level. Work in this area will:

- determine corporate MIS requirements in the area of administrative operations and establish procedures and processes related to overall administrative data management. This project is continuation of work begun in 2008-09;
- establishing a management information reporting/data analysis environment covering the human resources area, as well as enhance the corporate Data Warehouse as the definitive source of HR data for reporting and analytical purposes; and
- integrated MIS across all other administrative functions and information products required for decision-making at various levels of management, as well as corporate reporting capability across multiple lines of business.

7. Support Human Resources Management Framework:

227. FAO's Human Resources systems need to be enhanced. Extensions and improvements include: the implementation of job profiles and of a new competency framework, support to enhanced consultant recruitment policies through a modern roster facility, support to staff development initiatives through e-learning, and an upgrade of the Performance and Evaluation Management System (PEMS).

SECURITY EXPENDITURE

Security Expenditure (in USD 000 at 2008-09 rates)

Organization Result	Net Appropriation	Core Voluntary	Support to Field Programme / Assistance to Member Countries	Emergencies	Total Extra-budgetary	Total
901 - Safe and secure operating environment for headquarters programme delivery	11,333	188	0	0	188	11,521
902 - Safe and secure operating environment for worldwide programme delivery	14,022	0	0	601	601	14,623
903 - Carryover	(1,400)	0	0	0	0	(1,400)
Total	23,955	188	0	601	789	24,744

228. The *Security Expenditure Chapter* provides comprehensive coverage of staff and non-staff costs directly related to security and safety of the Organization's staff and assets under the Security Expenditure Facility established by Conference Resolution 5/2005. It is divided into *Headquarters Security* and *Field Security*.

229. The *Headquarters Security* provision aims to assure 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 Italy. It includes maintaining coordination with host government authorities, establishing systems of security management, providing an enabling environment and ensuring personnel safety and security at the FAO headquarters premises.

230. The *Field Security* provision addresses FAO personnel safety and security in the field to enable the safe and effective delivery of the Organization's mandated programme activities. It covers:

- the promulgation of UN system security policy by representing the Organization on the Inter Agency Security Management Network (IASMN) and by providing input to assist FAO senior managers in decision-making on security policy and related matters;
- the security needs of decentralized offices: regional and subregional offices, as well as FAO Representations and other field locations, by allotting resources to acquire training, services and equipment, for compliance with Minimum Operating Security Standards (MOSS) and Minimum Operating Residential Security Standards (MORSS), as prescribed for each duty station;
- the provision of briefings to FAO Representatives and policy advice to all technical units on field security policy and procedures, including the promotion of compliance with security training and security clearance requirements;
- liaison with the UN Department of Safety and Security (DSS) and contribution to the Malicious Acts Insurance Policy to cover premiums for eligible personnel.

ANNEX I: REGIONAL DIMENSIONS

231. This Annex will provide indication of main challenges and areas of emphasis pertinent to specific regions, which will be taken into account in the implementation of the Strategic Objectives and Organizational Results. These challenges and priority areas have been identified under the lead of the respective regional offices, in consultation with subregional offices and headquarters technical divisions, and in the light of recommendations of the Regional Conferences and other consultative fora.

232. The following summary table provides a breakdown of total resources estimated to relate to global work and to the respective regions.

2010-11 Budget Proposal by Location (in USD 000 at 2008-09 rates)

Region	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
Headquarters/Global	632,321	270,017	744,380	1,646,718
Africa	112,937	1,304	69,555	183,796
Asia and Pacific	63,150	965	91,322	155,436
Europe and Central Asia	40,873	910	11,704	53,487
Latin America and the Caribbean	59,475	2,363	68,069	129,907
Near East	32,310	258	32,722	65,291
Total	941,067	275,817	1,017,751	2,234,635

**ANNEX II: 2010-11 BUDGET PROPOSAL BY STRATEGIC/FUNCTIONAL
OBJECTIVE AND FUNDING SOURCE (IN USD 000 AT 2008-09 RATES)**

Strategic/Functional Objective	Net Appropriation	Core Voluntary		Other Extra-budgetary		Total
		Extra- budgetary Core Funding	IPA	Support to Field Programme / Assistance to Member Countries	Emergencies	
A - Sustainable intensification of crop production	47,579	16,237	0	62,851	113,000	239,668
B - Increased sustainable livestock production	30,760	6,280	0	21,733	126,979	185,751
C - Sustainable management and use of fisheries and aquaculture resources	53,963	35,219	0	36,467	16,000	141,648
D - Improved safety and quality of food at all stages of the food chain	23,978	6,832	0	9,330	2,000	42,141
E - Sustainable management of forests and trees	41,361	44,744	0	27,962	5,379	119,445
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	51,648	31,741	0	46,095	7,001	136,486
G - Enabling Environment for Markets to Improve Livelihoods and Rural Development	39,208	6,199	0	30,521	14,862	90,790
H - Improved food security and better nutrition	57,264	9,601	0	77,976	2,309	147,151
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7,410	5,077	0	30,892	336,248	379,627
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	9,738	2,879	0	6,824	3,000	22,441
L - Increased and more effective public and private investment in agriculture and rural development	35,786	43,146	0	6,625	2,000	87,556
X - Effective collaboration with member states and stakeholders	199,094	8,543	18,555	5,605	4,157	235,955
Y - Efficient and effective administration	101,554	9,719	29,158	524	8,310	149,266
FAOR - FAOR Programme	77,343	1,699	0	8,700	3,800	91,542
TCP - Technical Cooperation Programme	109,221	0	0	0	0	109,221
Contingencies	600	0	0	0	0	600
Capital Expenditure	30,604	0	0	0	0	30,604
Security Expenditure	23,955	188	0	0	601	24,744
Total	941,067	228,104	47,713	372,106	645,646	2,234,635

**ANNEX III: 2010-11 BUDGET PROPOSAL BY STRATEGIC/FUNCTIONAL
OBJECTIVE AND ORGANIZATIONAL RESULT (IN USD 000 AT 2008-09
RATES)**

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
A01 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels	18,343	6,273	35,627	60,243
A02 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels	13,163	5,616	6,082	24,860
A03 - Risks from pesticides are sustainably reduced at national, regional and global levels	6,779	1,365	8,051	16,194
A04 - Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels	9,295	2,984	126,092	138,371
A - Sustainable intensification of crop production	47,579	16,237	175,852	239,668
B01 - The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development	10,339	3,652	17,697	31,687
B02 - Reduced animal disease and associated human health risks	11,795	1,764	125,183	138,742
B03 - Better management of natural resources, including animal genetic resources, in livestock production	6,230	864	5,831	12,926
B04 - Code of Conduct for a Responsible Livestock Sector	2,397	0	0	2,397
B - Increased sustainable livestock production	30,760	6,280	148,711	185,751
C01 - Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues	18,226	6,748	5,081	30,054
C02 - Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs	7,346	6,648	4,423	18,417
C03 - More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use	7,325	8,273	15,378	30,976
C04 - Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture	9,416	5,917	5,163	20,496

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
C05 - Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels	5,205	3,167	18,373	26,745
C06 - Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements	6,444	4,467	4,049	14,959
C - Sustainable management and use of fisheries and aquaculture resources	53,963	35,219	52,466	141,648
D01 - New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization	12,825	3,937	1,474	18,236
D02 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach	3,344	1,164	32	4,541
D03 - National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms	4,176	1,731	9,682	15,588
D04 - Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements	3,633	0	142	3,775
D - Improved safety and quality of food at all stages of the food chain	23,978	6,832	11,330	42,141
E01 - Policy and practice affecting forests and forestry are based on timely and reliable information	9,334	23,309	4,743	37,386
E02 - Policy and practice affecting forests and forestry are reinforced by international cooperation and debate	5,709	127	1,156	6,992
E03 - Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses	6,424	12,192	4,315	22,931

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
E04 - Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation	5,712	878	5,487	12,076
E05 - Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option	7,086	4,167	13,765	25,018
E06 - Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented	7,095	4,072	3,876	15,043
E - Sustainable management of forests and trees	41,361	44,744	33,341	119,445
F01 - Countries promoting and developing sustainable land management	10,366	3,552	7,778	21,697
F02 - Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems	11,042	3,425	28,329	42,796
F03 - Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources	4,440	4,513	1,159	10,112
F04 - An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development	4,875	10,746	4,717	20,337
F05 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy	12,124	6,029	10,350	28,503
F06 - Improved access to, and sharing of knowledge, for natural resource management has been facilitated	8,802	3,476	762	13,041
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	51,648	31,741	53,096	136,486

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
G01 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements	9,256	1,719	27,532	38,507
G02 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships	2,791	2,111	8,910	13,812
G03 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries	7,021	1,389	7,869	16,279
G04 - Countries have increased awareness of and capacity to analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies	20,139	981	1,073	22,193
G - Enabling Environment for Markets to Improve Livelihoods and Rural Development	39,208	6,199	45,383	90,790
H01 - Countries and other stakeholders have strengthened capacity to formulate and implement coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition	15,174	1,795	49,926	66,895
H02 - Member countries and other stakeholders strengthen food security governance through the triple-track approach and the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security	3,929	2,399	3,520	9,848
H03 - Strengthened capacity of Member countries and other stakeholders to address specific nutrition concerns in food and agriculture	3,495	34	2,577	6,106
H04 - Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition	11,356	1,915	7,628	20,899
H05 - Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge	23,310	3,459	16,634	43,403
H - Improved food security and better nutrition	57,264	9,601	80,285	147,151
I01 - Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions	4,399	2,118	51,996	58,512

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
I02 - Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions	1,938	2,362	48,880	53,180
I03 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development	1,074	597	266,264	267,935
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7,410	5,077	367,140	379,627
K01 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development	1,970	18	780	2,767
K02 - Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources	2,400	782	5,066	8,249
K03 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development	3,062	2,060	3,978	9,101
K04 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work	2,306	18	0	2,324
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	9,738	2,879	9,824	22,441
L01 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks	10,534	12,383	1,391	24,309
L02 - Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations	7,731	10,133	3,939	21,803
L03 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed	17,520	20,629	3,295	41,445
L - Increased and more effective public and private investment in agriculture and rural development	35,786	43,146	8,625	87,556
X01 - Effective programmes addressing member priority needs developed, resourced, monitored and reported at global, regional and national levels	41,031	6,755	7,208	54,994
X02 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results	82,516	5,684	1,917	90,117
X03 - Key partnerships and alliances that leverage and complement the work of FAO and partners	22,258	2,149	237	24,644

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
X04 - Effective direction of the organization through enhanced governance and oversight	53,289	12,510	400	66,200
X - Effective collaboration with member states and stakeholders	199,094	27,098	9,762	235,955
Y01 - FAO's support services are recognised as client-oriented, effective, efficient and well-managed	65,200	12,286	5,724	83,210
Y02 - FAO is recognised as provider of comprehensive, accurate, and relevant management information	24,526	2,265	3,110	29,901
Y03 - FAO is recognised as an employer that implements best practices in performance - and people-management, is committed to the development of its staff, and capitalises on the diversity of its workforce	11,829	24,326	0	36,155
Y - Efficient and effective administration	101,554	38,877	8,834	149,266
FAOR01 - Effective country network coverage and implementation in Africa	39,929	537	5,500	45,966
FAOR02 - Effective country network coverage and implementation in Asia Pacific	13,666	340	3,125	17,131
FAOR04 - Effective country network coverage and implementation in Latin America	14,978	641	3,250	18,869
FAOR05 - Effective country network coverage and implementation in Near East	6,655	181	500	7,336
FAOR06 - Effective country network coverage and implementation in FCD Headquarters	0	0	0	0
FAOR07 - Effective country network coverage and implementation in Europe	2,116	0	125	2,241
FAOR - FAOR Programme	77,343	1,699	12,500	91,542
TCP01 - TCP Management and Support	4,292	0	0	4,292
TCP02 - TCP - Projects	104,929	0	0	104,929
TCP - Technical Cooperation Programme	109,221	0	0	109,221
601 - Contingencies	600	0	0	600
Contingencies	600	0	0	600
801 - Core ICT Infrastructure	2,884	0	0	2,884
802 - Corporate Administrative Applications	4,833	0	0	4,833
803 - Corporate Technical Applications	5,169	0	0	5,169
804 - Electronic Content and Document Management Systems	2,650	0	0	2,650
805 - IPSAS (including FAS)	10,700	0	0	10,700
806 - Management Information Systems	5,300	0	0	5,300
807 - Support Human Resources Management Framework	4,068	0	0	4,068
808 - Carryover	(5,000)	0	0	(5,000)
Capital Expenditure	30,604	0	0	30,604
901 - Safe and secure operating environment for headquarters programme delivery	11,333	188	0	11,521

Strategic/Functional Objective and Organizational Result	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
902 - Safe and secure operating environment for worldwide programme delivery	14,022	0	601	14,623
903 - Carryover	(1,400)	0	0	(1,400)
Security Expenditure	23,955	188	601	24,744
Total	941,067	275,817	1,017,751	2,234,635

**ANNEX IV: 2010-11 BUDGET PROPOSAL BY STRATEGIC/FUNCTIONAL
OBJECTIVE AND DEPARTMENT (IN USD 000 AT 2008-09 RATES)**

Strategic Objective / Department	Net Appropriation	Extra-budgetary	Total
A - Sustainable intensification of crop production	47,579	192,089	239,668
OEK - Office of Knowledge Exchange, Research and Extension	710	492	1,202
AG - Agriculture and Consumer Protection Department	33,406	24,963	58,369
ES - Economic and Social Development Department	1,245	622	1,867
NR - Natural Resources Management and Environment Department	219	0	219
TC - Technical Cooperation Department	1,645	117,365	119,010
FC - FAO Representations	0	24,939	24,939
RO - Regional Offices	3,253	17,958	21,211
SO - Subregional Offices	7,102	5,749	12,851
B - Increased sustainable livestock production	30,760	154,991	185,751
LEG – Legal and Ethics Office	247	43	290
OEK - Office of Knowledge Exchange, Research and Extension	400	984	1,384
AG - Agriculture and Consumer Protection Department	19,585	18,798	38,383
ES - Economic and Social Development Department	909	12	921
FI - Fisheries and Aquaculture Department	68	0	68
NR - Natural Resources Management and Environment Department	219	0	219
TC - Technical Cooperation Department	1,310	115,262	116,571
FC - FAO Representations	0	5,116	5,116
RO - Regional Offices	2,751	10,245	12,996
SO - Subregional Offices	5,272	4,532	9,805
C - Sustainable management and use of fisheries and aquaculture resources	53,963	87,685	141,648
LEG – Legal and Ethics Office	943	43	986
OEK - Office of Knowledge Exchange, Research and Extension	400	492	892
FI - Fisheries and Aquaculture Department	43,478	36,825	80,303
NR - Natural Resources Management and Environment Department	55	0	55
TC - Technical Cooperation Department	85	17,332	17,417
FC - FAO Representations	0	12,650	12,650

Strategic Objective / Department	Net Appropriation	Extra-budgetary	Total
RO - Regional Offices	2,900	17,521	20,421
SO - Subregional Offices	6,102	2,822	8,924
D - Improved safety and quality of food at all stages of the food chain	23,978	18,163	42,141
LEG – Legal and Ethics Office	207	43	250
AG - Agriculture and Consumer Protection Department	19,916	6,824	26,740
ES - Economic and Social Development Department	0	12	12
FI - Fisheries and Aquaculture Department	325	0	325
TC - Technical Cooperation Department	0	2,424	2,424
FC - FAO Representations	0	7,294	7,294
RO - Regional Offices	2,141	888	3,029
SO - Subregional Offices	1,390	677	2,067
E - Sustainable management of forests and trees	41,361	78,084	119,445
LEG – Legal and Ethics Office	376	43	419
OEK - Office of Knowledge Exchange, Research and Extension	400	492	892
FO - Forestry Department	29,591	50,117	79,707
NR - Natural Resources Management and Environment Department	85	124	209
TC - Technical Cooperation Department	252	5,744	5,996
FC - FAO Representations	0	14,658	14,658
LO - Liaison Offices	836	0	836
RO - Regional Offices	3,473	2,958	6,430
SO - Subregional Offices	6,349	3,950	10,299
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	51,648	84,837	136,486
LEG – Legal and Ethics Office	535	86	620
OEK - Office of Knowledge Exchange, Research and Extension	7,160	4,410	11,570
AG - Agriculture and Consumer Protection Department	2,783	277	3,060
ES - Economic and Social Development Department	1,435	200	1,635
FI - Fisheries and Aquaculture Department	55	0	55
FO - Forestry Department	85	0	85
NR - Natural Resources Management and Environment Department	28,435	33,239	61,674
TC - Technical Cooperation Department	434	18,610	19,043
FC - FAO Representations	0	21,752	21,752

Strategic Objective / Department	Net Appropriation	Extra-budgetary	Total
RO - Regional Offices	5,299	5,867	11,166
SO - Subregional Offices	5,428	397	5,825
G - Enabling Environment for Markets to Improve Livelihoods and Rural Development	39,208	51,582	90,790
AG - Agriculture and Consumer Protection Department	9,294	1,020	10,314
ES - Economic and Social Development Department	23,400	5,287	28,687
NR - Natural Resources Management and Environment Department	21	0	21
TC - Technical Cooperation Department	0	17,925	17,925
FC - FAO Representations	0	17,801	17,801
RO - Regional Offices	3,044	2,755	5,799
SO - Subregional Offices	3,448	6,795	10,243
H - Improved food security and better nutrition	57,264	89,887	147,151
LEG – Legal and Ethics Office	756	163	919
OCE – Office of Corporate Communications and External Relations	0	4	4
OEK - Office of Knowledge Exchange, Research and Extension	9,122	2,514	11,635
AG - Agriculture and Consumer Protection Department	6,082	400	6,482
ES - Economic and Social Development Department	24,274	6,490	30,765
FI - Fisheries and Aquaculture Department	366	0	366
TC - Technical Cooperation Department	6,760	30,018	36,777
FC - FAO Representations	0	39,625	39,625
RO - Regional Offices	7,204	7,154	14,357
SO - Subregional Offices	2,701	3,519	6,220
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7,410	372,217	379,627
AG - Agriculture and Consumer Protection Department	1,538	10,214	11,752
ES - Economic and Social Development Department	2,731	2,689	5,420
FI - Fisheries and Aquaculture Department	331	0	331
NR - Natural Resources Management and Environment Department	104	0	104
TC - Technical Cooperation Department	2,060	354,754	356,814
FC - FAO Representations	0	1,962	1,962
RO - Regional Offices	127	1,598	1,726
SO - Subregional Offices	518	999	1,517

Strategic Objective / Department	Net Appropriation	Extra-budgetary	Total
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	9,738	12,703	22,441
LEG – Legal and Ethics Office	75	0	75
AG - Agriculture and Consumer Protection Department	82	0	82
ES - Economic and Social Development Department	7,796	2,813	10,608
TC - Technical Cooperation Department	161	3,000	3,161
FC - FAO Representations	0	6,811	6,811
RO - Regional Offices	1,180	0	1,180
SO - Subregional Offices	444	79	523
L - Increased and more effective public and private investment in agriculture and rural development	35,786	51,771	87,556
AG - Agriculture and Consumer Protection Department	1,095	0	1,095
ES - Economic and Social Development Department	609	252	861
NR - Natural Resources Management and Environment Department	413	0	413
TC - Technical Cooperation Department	31,625	45,578	77,203
FC - FAO Representations	0	3,591	3,591
RO - Regional Offices	196	100	296
SO - Subregional Offices	1,847	2,251	4,098
X - Effective collaboration with member states and stakeholders	199,094	36,860	235,955
ODG - Office of the Director-General	8,490	0	8,490
OED – Office of Evaluation	6,494	3,000	9,494
AUD – Office of the Inspector-General	9,129	2,805	11,934
LEG – Legal and Ethics Office	4,389	160	4,549
OCE – Office of Corporate Communications and External Relations	22,782	2,030	24,812
OSP – Office of Strategy, Planning and Resources Management	8,590	1,350	9,940
DDK – Deputy Director-General (Knowledge)	5,176	4,660	9,836
OEK – Office of Knowledge Exchange, Research and Extension	12,291	2,244	14,535
DDO – Deputy Director-General (Operations)	3,878	0	3,878
OSD – Office of Support to Decentralization	7,065	400	7,465
CIO – Chief Information Office Division	43,462	3,591	47,053
ES - Economic and Social Development Department	990	0	990
TC - Technical Cooperation Department	20,209	3,278	23,487

Strategic Objective / Department	Net Appropriation	Extra-budgetary	Total
CF - Corporate Services and Finance Department	22,554	7,365	29,920
LO - Liaison Offices	14,822	125	14,947
RO - Regional Offices	15,996	4,374	20,370
SO - Subregional Offices	8,092	1,478	9,570
AOS - Corporate Income	(15,636)	0	(15,636)
Y - Efficient and effective administration	101,554	47,711	149,266
DDK – Deputy Director-General (Knowledge)	0	3,300	3,300
OSP – Office of Strategy Planning and Resources Management	0	2,500	2,500
FI - Fisheries and Aquaculture Department	125	0	125
CF - Corporate Services and Finance Department	92,337	39,062	131,399
LO - Liaison Offices	148	0	148
RO - Regional Offices	19,302	700	20,002
SO - Subregional Offices	10,457	2,149	12,606
AOS - Corporate Income	(20,814)	0	(20,814)
FAOR - FAOR Programme	77,343	14,199	91,542
DG - Office of the Director-General	0	0	0
FC - FAO Representations	85,793	14,199	99,992
AOS - Corporate Income	(8,450)	0	(8,450)
TCP - Technical Cooperation Programme	109,221	0	109,221
TC - Technical Cooperation Department	1,309	0	1,309
RO - Regional Offices	2,636	0	2,636
SO - Subregional Offices	346	0	346
TP - Technical Cooperation Programme - Projects	104,929	0	104,929

ANNEX V: 2010-11 BUDGET PROPOSAL BY STRATEGIC/FUNCTIONAL OBJECTIVE AND REGION
(IN USD 000 AT 2008-09 RATES)

	Headquarters/ Global		Africa		Asia and Pacific		Europe and Central Asia		Latin America and the Caribbean		Near East		Total		
SO/FO	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
A	37,225	143,442	3,330	7,768	1,544	19,390	1,211	1,217	2,025	11,609	2,244	8,662	47,579	192,089	239,668
B	22,737	135,099	2,330	2,457	1,357	4,603	1,035	4,088	2,028	4,000	1,272	4,744	30,760	154,991	185,751
C	44,961	54,692	3,294	2,263	1,269	21,651	1,106	1,533	1,989	2,987	1,343	4,560	53,963	87,685	141,648
D	20,447	9,303	1,575	1,011	539	7,384	427	20	802	0	188	444	23,978	18,163	42,141
E	30,703	56,519	3,412	6,190	1,637	9,144	2,055	0	2,617	5,940	937	292	41,361	78,084	119,445
F	40,922	56,821	3,472	3,705	1,825	8,576	1,305	961	2,353	9,411	1,772	5,364	51,648	84,837	136,486
G	32,716	24,232	2,981	15,205	1,083	1,624	470	1,367	981	7,609	978	1,546	39,208	51,582	90,790
H	47,360	39,589	3,240	16,422	1,732	13,987	1,141	0	2,049	18,082	1,742	1,807	57,264	89,887	147,151
I	6,764	367,657	329	1,347	207	1,965	0	0	110	1,248	0	0	7,410	372,217	379,627
K	8,114	5,813	797	3,645	378	65	282	603	167	2,464	0	114	9,738	12,703	22,441
L	33,742	45,830	852	4,110	0	250	137	375	833	475	221	732	35,786	51,771	87,556
X	167,993	31,009	5,289	100	9,250	183	7,431	467	5,117	1,513	4,015	3,589	199,094	36,860	235,955
Y	63,283	43,602	6,771	600	7,366	0	13,025	1,860	7,419	1,205	3,690	444	101,554	47,711	149,266
FAOR	0	0	39,929	6,037	13,666	3,465	2,116	125	14,978	3,891	6,655	681	77,343	14,199	91,542
TCP	20,196	0	35,334	0	21,299	0	9,132	0	16,008	0	7,253	0	109,221	0	109,221
6	600	0	0	0	0	0	0	0	0	0	0	0	600	0	600
8	30,604	0	0	0	0	0	0	0	0	0	0	0	30,604	0	30,604
9	23,955	789	0	0	0	0	0	0	0	0	0	0	23,955	789	24,744
Total	632,321	1,014,397	112,937	70,859	63,150	92,287	40,873	12,614	59,475	70,432	32,310	32,980	941,067	1,293,569	2,234,635

**ANNEX VI: 2010-11 BUDGET PROPOSAL BY ORGANIZATIONAL UNIT
(IN USD 000 AT 2008-09 RATES)**

Org Unit/Dept	Net Appropriation	Core Voluntary	Other Extra- budgetary	Total
ODG - Office of the Director-General	8,490	0	0	8,490
OED - Office of Evaluation	6,493	0	3,000	9,493
AUD - Office of the Inspector-General	9,129	2,405	400	11,934
LEG - Legal and Ethics Office	7,530	580	0	8,110
OCE - Office of Corporate communications and External Relations	22,782	2,034	0	24,816
OSP - Office of Strategy, Planning and Resources Management	8,590	3,400	450	12,440
DDK - Deputy Director-General (Knowledge)	5,176	7,960	0	13,136
OEK - Office of Knowledge Exchange, Research and Extension	30,480	11,628	0	42,108
DDO - Deputy Director-General (Operations)	3,878	0	0	3,878
OSD - Office of Support to Decentralization	7,065	400	0	7,465
CIO - Chief Information Officer Division	43,462	3,591	0	47,054
	153,075	31,998	3,850	188,924
AGD - Office of Assistant Director- General	4,834	2,616	0	7,450
AGA - Animal Production and Health Division	17,359	5,079	21,221	43,658
AGE - Joint FAO/IAEA Division	6,153	0	0	6,153
AGN - Nutrition and Consumer Protection Division	21,373	7,089	520	28,983
AGP - Plant Production and Protection Division	29,680	11,408	12,854	53,942
AGS - Rural Infrastructure and Agro- Industries Division	14,383	1,180	529	16,092
AG - Agriculture and Consumer Protection Department	93,781	27,372	35,124	156,277
ESD - Office of Assistant Director-General	2,469	0	0	2,469
ESA - Agricultural Development Economics Division	14,318	7,494	0	21,812
ESS - Statistics Division	15,464	2,500	275	18,239
EST - Trade and Markets Division	21,576	3,312	297	25,184
ESW - Gender, Equity and Rural Employment Division	9,564	4,500	0	14,064
ES - Economic and Social Development Department	63,391	17,805	572	81,768

Org Unit/Dept	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
FID - Office of Assistant Director-General	3,340	14,330	0	17,670
FIE - Fisheries and Aquaculture Policy and Economics Division	21,932	6,071	55	28,058
FIM - Fisheries and Aquaculture Resources Use and Conservation Division	19,798	13,184	3,185	36,167
FI - Fisheries and Aquaculture Department	45,070	33,585	3,240	81,894
FOD - Office of Assistant Director-General	2,778	0	0	2,778
FOE - Forest Economics, Policy and Products Division	13,624	16,339	599	30,562
FOM - Forest Assessment, Management and Conservation Division	13,274	26,873	6,306	46,453
FO - Forestry Department	29,675	43,212	6,905	79,792
NRD - Office of Assistant Director-General	8,116	2,251	0	10,367
NRC - Environment, Climate Change and Bioenergy Division	10,322	8,777	5,049	24,148
NRL - Land and Water Division	11,113	14,129	3,157	28,398
NR - Natural Resources Management and Environment Department	29,550	25,157	8,206	62,913
TCD - Office of Assistant Director-General	10,195	2,343	307	12,845
TCE - Emergency Operations and Rehabilitation Division	936	574	669,554	671,064
TCI - Investment Centre Division	26,816	46,188	1,482	74,486
TCS - Policy and Programme Development Support Division	27,901	3,352	7,489	38,742
TC - Technical Cooperation Department	65,849	52,458	678,832	797,138
CFD - Office of Assistant Director-General	5,400	50	0	5,450
CFF - Finance Division	17,497	795	1,200	19,492
CFH - Human Resources Management Division	20,850	22,817	700	44,367
CFA - Conference, Council and Protocol Affairs Division	22,554	7,365	0	29,920
CFS - Administrative Services Division	36,973	7,090	5,150	49,213
SSR - Shared Services Center - Rome	3,104	0	0	3,104
SSB - Shared Services Center - Budapest Hub	8,513	0	1,260	9,773
CF - Corporate Services and Finance Department	114,891	38,117	8,310	161,318
LOB - Liaison Office with European Union and Belgium	1,148	0	0	1,148
LOG - Liaison Office with the United Nations, Geneva	3,796	0	0	3,796

Org Unit/Dept	Net Appropriation	Core Voluntary	Other Extra-budgetary	Total
LON - Liaison Office with the United Nations, New York	3,496	0	0	3,496
LOJ - Liaison Office with Japan	1,398	0	0	1,398
LOW - Liaison Office for North America, Washington, D.C.	4,460	125	0	4,585
LOR - Liaison Office in Russia	1,508	0	0	1,508
LO - Liaison Offices	15,806	125	0	15,931
TPI - TCP Projects - Inter-regional and Emergency Facility	18,887	0	0	18,887
TPA - TCP Projects - Africa	34,417	0	0	34,417
TPP - TCP Projects - Asia and the Pacific	20,650	0	0	20,650
TPL - TCP Projects - Latin America and the Caribbean	15,488	0	0	15,488
TPN - TCP Projects - Near East and North Africa	6,883	0	0	6,883
TPE - TCP Projects - Europe	8,604	0	0	8,604
TP - Technical Cooperation Programme - Projects	104,929	0	0	104,929
RAF - Regional Office for Africa (Accra)	15,291	27	2,445	17,763
SFC - Subregional Office for Central Africa	5,166	53	6,113	11,332
SFE - Subregional Office for Eastern Africa	6,007	85	1,081	7,173
SFS - Subregional Office for Southern Africa	6,250	400	1,608	8,257
SFW - Subregional Office for West Africa	5,877	200	733	6,810
FRA - FAORs in Africa	43,649	539	57,575	101,763
Africa	82,240	1,304	69,555	153,099
RAP - Regional Office for Asia and the Pacific (Bangkok)	22,369	625	24,147	47,141
SAP - Subregional Office for the Pacific Islands	3,559	0	66	3,625
FAP - FAORs in Asia and the Pacific	15,777	340	67,109	83,226
Asia and Pacific	41,705	965	91,322	133,992
REU - Regional Office for Europe and Central Asia (Budapest)	7,145	110	1,320	8,575
SEC - Subregional Office for Central Asia	4,646	600	2,509	7,755
SEU - Subregional Office for Central and Eastern Europe	4,906	200	5,494	10,599
FEU - FAORs in Europe	2,199	0	1,122	3,321
Europe and Central Asia	18,896	910	10,444	30,250

Org Unit/Dept	Net Appropriation	Core Voluntary	Other Extra- budgetary	Total
RLC - Regional Office for Latin America and the Caribbean (Santiago)	14,915	700	17,731	33,345
SLC - Subregional Office for the Caribbean	4,653	345	5,623	10,621
SLM - Subregional Office for Central America	4,356	677	4,187	9,220
SLS - Multidisciplinary Team for South America	5,086	0	1,041	6,127
FLA - FAORs in Latin America and the Caribbean	17,176	641	39,486	57,304
Latin America and the Caribbean	46,186	2,363	68,069	116,618
RNE - Regional Office for the Near East and North Africa (Cairo)	9,782	77	24,937	34,796
SNO - Multidisciplinary Team for Oriental Near East	3,497	0	0	3,497
SNE - Subregional Office for North Africa	5,493	0	189	5,682
SNG - Subregional Office for the Gulf Countries	0	0	4,193	4,193
FNE - FAORs in the Near East	6,992	181	3,404	10,576
Near East	25,764	258	32,722	58,745
AOS - Corporate Income	(44,900)	0	0	(44,900)
Contingencies	600	0	0	600
Capital Expenditure	30,604	0	0	30,604
Security Expenditure	23,955	188	601	24,744
Total	941,067	275,817	1,017,751	2,234,635

**ANNEX VII: 2008-09 NET APPROPRIATION BY ORGANIZATIONAL UNIT
(AFTER EFFICIENCY SAVINGS) IN USD 000**

Org Unit/ Dept	Description	Net Appropriation
ODG	Office of the Director-General	11,400
UNC	Office of UN Coordination and MDG Follow-up	3,500
OCD	Office for Coordination and Decentralization	8,800
AUD	Office of the Inspector-General	7,000
LEG	Legal Office	6,600
PBE	Office of Programme, Budget and Evaluation	17,500
ODG	Office of the Director-General	54,800
AGD	Office of Assistant Director-General	4,900
AGA	Animal Production and Health Division	16,400
AGE	Joint FAO/IAEA Division	5,900
AGN	Nutrition and Consumer Protection Division	20,700
AGP	Plant Production and Protection Division	29,600
AGS	Rural Infrastructure and Agro-Industries Division	15,000
AG	Agriculture and Consumer Protection Department	92,500
ESD	Office of Assistant Director-General	2,500
ESA	Agricultural Development Economics Division	14,100
ESS	Statistics Division	14,300
EST	Trade and Markets Division	21,800
ESW	Gender, Equity and Rural Employment Division	9,600
ES	Economic and Social Development Department	62,300
FID	Office of Assistant Director-General	2,600
FIE	Fisheries and Aquaculture Economics and Policy Division	17,900
FII	Fish Products and Industry Division	10,700
FIM	Fisheries and Aquaculture Management Division	13,500
FI	Fisheries and Aquaculture Department	44,700
FOD	Office of Assistant Director-General	2,600
FOE	Forest Economics and Policy Division	10,100
FOI	Forest Products and Industry Division	8,500
FOM	Forest Management Division	8,100
FO	Forestry Department	29,300
NRD	Office of Assistant Director-General	9,200
NRC	Environment, Climate Change and Bioenergy Division	9,000
NRL	Land and Water Division	13,500
NRR	Research and Extension Division	6,300
NR	Natural Resources Management and Environment Department	38,000
TCD	Office of Assistant Director-General	5,600
TCA	Policy Assistance and Resources Mobilization Division	13,100
TCE	Emergency Operations and Rehabilitation Division	1,300

Org Unit/ Dept	Description	Net Appropriation
TCI	Investment Centre Division	25,700
TCO	Field Operations Division	24,000
TCP	Technical Cooperation Programme	104,000
TC	Technical Cooperation Department	173,700
AFD*	Office of Assistant Director-General	21,900
AFF	Finance Division	20,700
AFH	Human Resources Management Division	15,600
AFS	Administrative Services Division	38,200
AF	Department of Human, Financial and Physical Resources	96,400
KCD	Office of Assistant Director-General	2,800
KCC	Conference, Council and Protocol Affairs Division	19,500
KCE	Knowledge Exchange and Capacity Building Division	18,200
KCI	Communication Division	23,000
KCT	Information Technology Division	38,100
KC	Knowledge and Communication Department	101,600
LOB	Liaison Office with European Union and Belgium	1,100
LOG	Liaison Office with the United Nations, Geneva	3,800
LON	Liaison Office with the United Nations, New York	3,500
LOJ	Liaison Office with Japan	1,400
LOW	Liaison Office for North America, Washington, D.C.	4,400
LOR	Liaison Office in Russia	1,500
LO	Liaison Offices	15,700
RAF	Regional Office for Africa (Accra)	14,000
SFC	Subregional Office for Central Africa	5,800
SFE	Subregional Office for Eastern Africa	6,400
SFS	Subregional Office for Southern Africa	6,500
SFW	Subregional Office for West Africa	5,200
FRA	FAORs in Africa Region	43,600
Africa Region		81,500
RAP	Regional Office for Asia and the Pacific (Bangkok)	21,500
SAP	Subregional Office for the Pacific Islands	3,000
FAP	FAORs in Asia and the Pacific Region	15,800
Asia and the Pacific Region		40,300
REU	Regional Office for Europe and Central Asia (Budapest)	6,600
SEC	Subregional Office for Central Asia	5,100
SEU	Subregional Office for Central and Eastern Europe	5,400
FEU	FAORs in Europe and Central Asia Region	2,200
Europe and Central Asia Region		19,300
RLC	Regional Office for Latin America and the Caribbean (Santiago)	14,100
SLC	Subregional Office for the Caribbean	5,000
SLM	Subregional Office for Central America	5,200
SLS	Multidisciplinary Team for South America	5,400

Org Unit/ Dept	Description	Net Appropriation
FLA	FAORs in Latin America and the Caribbean Region	17,200
Latin America and the Caribbean Region		46,900
RNE	Regional Office for the Near East and North Africa (Cairo)	12,200
SNE	Subregional Office for North Africa	3,900
FNE	FAORs in Near East Region	7,000
Near East Region		23,100
CONT	Contingencies	600
MDA	Resources for Multidisciplinary Work	3,100
PBX	Redeployment Costs	3,600
AOS	Income	(41,000)
8	Capital Expenditure	20,100
9	Security Expenditure	23,300
Total		929,800

* The resources for the Shared Services Centre (SSC) in Budapest are included under AFD

ANNEX VIII: OVERVIEW OF TOTAL RESOURCE AVAILABILITY (BEFORE COST INCREASES)

233. The following table provides an overview of the total resource availability, consisting of the proposed net appropriations and estimated voluntary contributions. It compares the PWB 2008-09 to the PWB 2010-11 before cost increases. While the overall presentation is consistent with previous PWBs, the categories and their composition have changed in order to reflect the integrated budget in a coherent manner. The explanatory text indicates where these amounts are now planned in the PWB 2010-11.

Overview of Total Resource Availability (before 2010-11 cost increases, at the 2008-09 budget rate of exchange of 1 Euro = USD 1.36)

	2008-09	2010-11
Member Nations Net Assessed Contributions	924,800	939,067
Total Miscellaneous Income	5,000	2,000
Net Budgetary Appropriations	929,800	941,067
Voluntary Contributions under Financial Regulation 6.7:		
Core Voluntary contributions credited to the General Fund in the Financial Accounts		
World Bank	24,000	26,048
Other Financial Institutions and Financing Entities	4,465	11,846
Technical Support Services	6,245	6,000
Project Servicing Costs (Administrative and Operational Support Services) ³⁹	40,739	70,082
Government Counterpart Cash Contributions	5,044	4,199
Terminal Reports	1,231	1,086
Other Items (e.g. Reimbursements for Administrative Services to WFP, CODEX, etc.)	3,725	8,778
<i>Sub-total Core Voluntary contributions credited to the General Fund</i>	<i>85,449</i>	<i>128,039</i>
Core Voluntary Contributions in Funds in Trust		
Co-Sponsors to Science Council	5,440	N/A
Project Servicing Costs charged to Emergency Projects	33,101	35,217
Other items (e.g. Miscellaneous Secondments)	1,516	N/A
Core Voluntary contributions in Funds in Trust ⁴⁰	N/A	162,197
Core Voluntary IPA ⁴¹	N/A	47,713
<i>Sub-Total Core Voluntary Contributions in Funds in Trust</i>	<i>40,057</i>	<i>245,127</i>

³⁹ NET APPROPRIATION INCLUDES CORPORATE AOS INCOME

⁴⁰ NET OF PSC INCOME

⁴¹ NET OF PSC INCOME

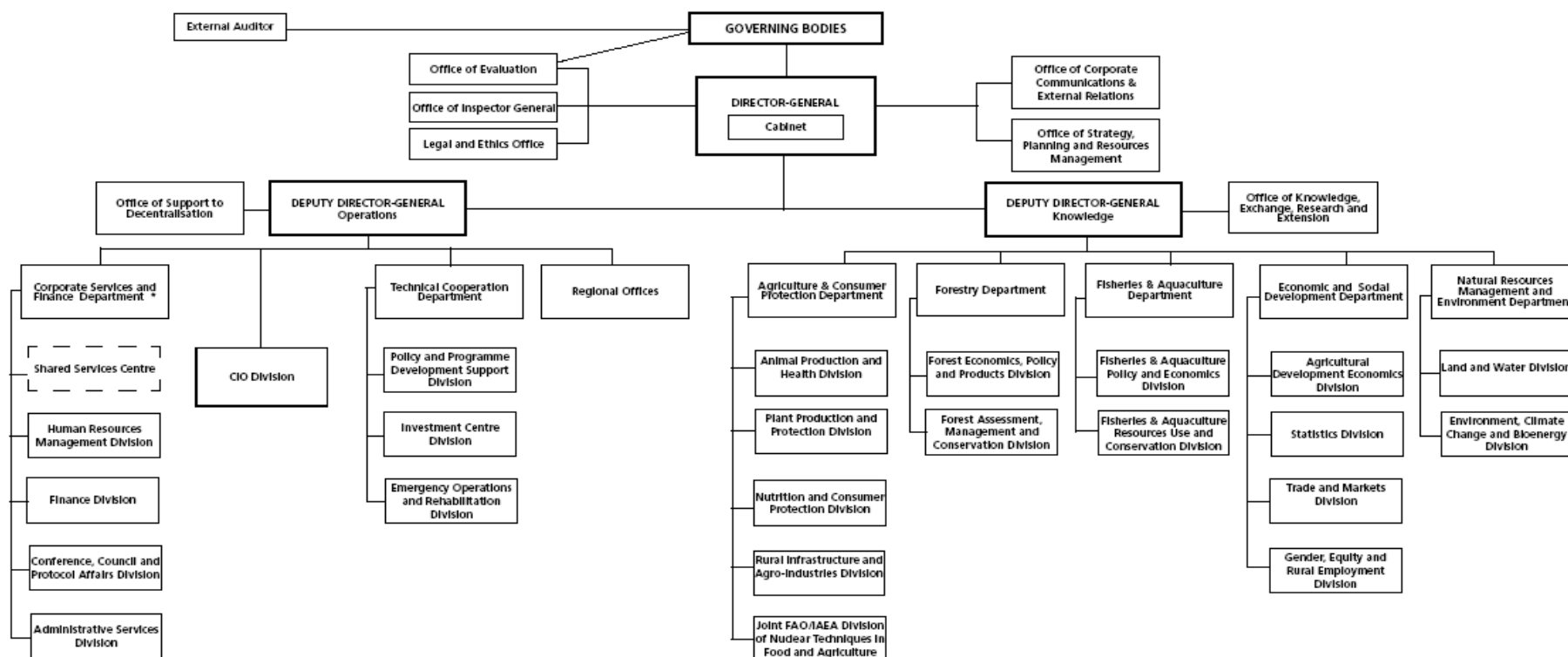
Total Core Voluntary Contributions	125,506	373,166
Other Voluntary Contributions Funds in Trust (net of PSC income)		
Other Trust Fund Projects	523,665	N/A
Field Programme and assistance to Members	N/A	333,452
Emergency Projects	312,900	586,951
<i>Sub-total Other Voluntary Contributions</i>	<i>836,565</i>	<i>920,403</i>
Total Voluntary Contributions	962,071	1,293,569
TOTAL ESTIMATED RESOURCES AVAILABLE	1,891,871	2,234,636

234. Under *Core Voluntary Contributions credited to General Fund* (previously named Other Income credited to the General Fund) the main change is that the reimbursements for Project Servicing Costs, Terminal Report and Technical Support Services are now planned as part of voluntary contributions in Funds in Trust.

235. Other Income not Credited to the General Fund has been replaced by the broader category *Core Voluntary Contributions in Funds in Trust*. In previous PWBs only a few projects were selected for reporting under this heading (e.g. Co Sponsors of Science Council, other items), while under an integrated programme of work all voluntary contributions that fall under the category are included (e.g. support to Commissions). The IPA is shown as a separate category.

236. The total of USD 2.2 billion corresponds to what is planned in its entirety in the proposed PWB 2010-2011, compared to 2008-2009 when only the net appropriation, the category of Other Income credited to General Fund and selected items under Other income not credited to General Fund were being included in the programme of work.

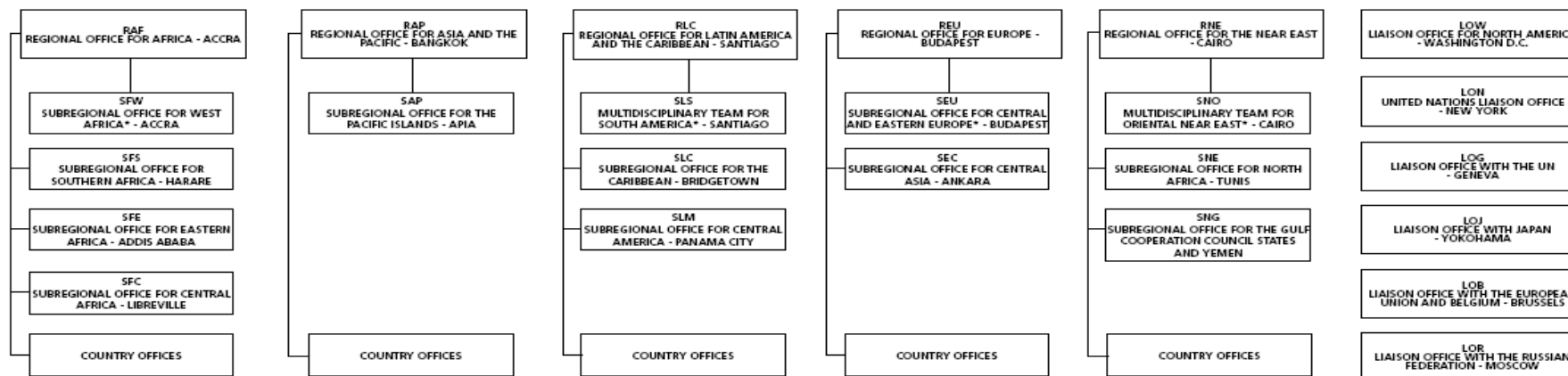
ANNEX IX - HQ ORGANIGRAMMES



* Structure and functions of Corporate Services and Finance Department subject to further adjustments.

 Service

ANNEX IX (Cont.) - DECENTRALIZED ORGANIGRAMMES



* Co-located in Regional Office

ANNEX X: POST COUNTS BY GRADE GROUP AND ORGANIZATIONAL UNIT

Organizational Unit	PWB 2010-11			Total
	D	P	G	
Office of the Director-General (ODG)	3	7	14	24
Office of Evaluation (OED)	1	7	3	11
Office of the Inspector-General (AUD)	2	14	5	21
Legal and Ethics Office (LEG)	2	11	9	22
Office of Corporate communications and External Relations (OCE)	2	30	23	55
Office of Strategy, Planning and Resources Management (OSP)	2	12	5	19
Deputy Director-General (Knowledge) (DDK)	1	2	2	5
Office of Knowledge Exchange, Research and Extension (OEK)	1	57	38	96
Deputy Director-General (Operations) (DDO)	1	2	2	5
Office of Support to Decentralization (OSD)	2	7	9	18
Chief Information Officer Division (CIO)	2	75	40	117
	19	224	150	393
Office of Assistant Director-General (AGD)	1	3	7	11
Plant Production and Protection Division (AGP)	3	40	28	71
Nutrition and Consumer Protection Division (AGN)	3	27	19	49
Rural Infrastructure and Agro-Industries Division (AGS)	1	24	14	39
Animal Production and Health Division (AGA)	2	29	12	43
Joint FAO/IAEA Division (AGE)	1	6	-	7
Total Agriculture and Consumer Protection Department (AG)	11	129	80	220
Office of Assistant Director-General (ESD)	1	1	5	7
Statistics Division (ESS)	2	20	26	48
Trade and Markets Division (EST)	2	37	28	67
Agricultural Development Economics Division (ESA)	2	22	12	36
Gender, Equity and Rural Employment Division (ESW)	2	15	7	24
Total Economic and Social Development Department (ES)	9	95	78	182
Office of Assistant Director-General (FID)	1	1	6	8
Fisheries and Aquaculture Policy and Economics Division (FIE)	3	34	30	67
Fisheries and Aquaculture Resources Use and Conservation Division (FIM)	2	33	17	52
Total Fisheries and Aquaculture Department (FI)	6	68	53	127
Office of Assistant Director-General (FOD)	1	1	5	7
Forest Economics, Policy and Products Division (FOE)	2	23	11	36
Forest Assessment, Management and Conservation Division (FOM)	2	19	13	34
Total Forestry Department (FO)	5	43	29	77
Office of Assistant Director-General (NRD)	2	5	12	19
Environment, Climate Change and Bioenergy Division (NRC)	2	17	9	28
Land and Water Division (NRL)	2	17	9	28

Organizational Unit	PWB 2010-11			Total
	D	P	G	
Total Natural Resources Management and Environment (NR)	6	39	30	75
Office of Assistant Director-General (TCD)	2	13	22	37
Investment Centre Division (TCI)	5	63	32	100
Policy and Programme Development Support Division (TCS)	4	33	25	62
Emergency Operations and Rehabilitation Division (TCE)	1	1	-	2
Total Technical Cooperation Department (TC)	12	110	79	201
Total Corporate Services and Finance Department (CF)	12	141	356	509
FAO Representations	37	198	480	715
Liaison Office with the United Nations, Geneva (LOG)	1	4	4	9
Liaison Office for North America, Washington, D.C. (LOW)	1	3	11	15
Liaison Office with the United Nations, New York (LON)	1	3	5	9
Liaison Office with European Union and Belgium (LOB)	2	1	1	4
Liaison Office with Japan (LOJ)	1	1	1	3
Liaison Office in Russia (LOR)	1	1	1	3
Liaison Offices Total	7	13	23	43
Regional Office for Africa (Accra) (RAF)	1	23	39	63
Subregional Office for Eastern Africa (SFE)	1	10	6	17
Subregional Office for Southern Africa (SFS)	1	11	9	21
Subregional Office for Central Africa (SFC)	1	9	3	13
Subregional Office for West Africa (SFW)	1	8	5	14
Africa Region Total	5	61	62	128
Regional Office for Asia and the Pacific (Bangkok) (RAP)	2	40	75	117
Subregional Office for the Pacific Islands (SAP)	1	6	7	14
Asia and the Pacific Region Total	3	46	82	131
Regional Office for Europe and Central Asia (Budapest) (REU)	1	12	15	28
Subregional Office for Central Asia (SEC)	1	9	6	16
Subregional Office for Central and Eastern Europe (SEU)	1	7	5	13
Europe and Central Asia Total	3	28	26	57
Regional Office for Latin America and the Caribbean (Santiago) (RLC)	1	20	47	68
Subregional Office for the Caribbean (SLC)	1	8	9	18
Subregional Office for Central America (SLM)	1	9	5	15
Multidisciplinary Team for South America (SLS)	1	9	2	12
Latin America and the Caribbean Total	4	46	63	113
Regional Office for the Near East and North Africa (Cairo) (RNE)	1	18	29	48
Subregional Office for North Africa (SNE)	1	12	12	25
Multidisciplinary Team for Oriental Near East (Cairo) (SNO)	1	6	5	12
Near East and North Africa Total	3	36	46	85
Grand Total	142	1,276	1,636	3,054

Organizational Unit	PWB 2010-11			Total
	D	P	G	
Notes: • Structure and functions of several departments and offices are subject to further adjustments, in particular the Corporate Services and Finance Department which is shown at the departmental level in the post counts above. Shared Services Center (SSC) posts are shown at headquarters under Corporate Services and Finance Department. • 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 XI: NET APPROPRIATION BY ORGANIZATIONAL RESULT BEFORE
AND AFTER COST INCREASES**

SO/FO and Org Result	Net Appropriation before cost increases	Cost Increases	Net Appropriation after cost increases
A01	18,343	1,004	19,348
A02	13,163	881	14,044
A03	6,779	402	7,181
A04	9,295	509	9,804
A	47,579	2,797	50,376
B01	10,339	597	10,936
B04	2,397	127	2,524
B02	11,795	739	12,533
B03	6,230	402	6,632
B	30,760	1,865	32,625
C01	18,226	995	19,221
C06	6,444	319	6,763
C03	7,325	417	7,742
C04	9,416	533	9,949
C05	5,205	269	5,473
C02	7,346	494	7,841
C	53,963	3,026	56,989
D01	12,825	661	13,486
D03	4,176	239	4,415
D02	3,344	189	3,533
D04	3,633	210	3,843
D	23,978	1,298	25,277
E04	5,712	306	6,018
E05	7,086	359	7,445
E01	9,334	448	9,783
E03	6,424	377	6,801
E02	5,709	357	6,066
E06	7,095	422	7,517
E	41,361	2,269	43,630
F06	8,802	436	9,238
F01	10,366	637	11,004
F05	12,124	722	12,846
F04	4,875	232	5,107

SO/FO and Org Result	Net Appropriation before cost increases	Cost Increases	Net Appropriation after cost increases
F02	11,042	758	11,801
F03	4,440	211	4,650
F	51,648	2,997	54,645
G01	9,256	599	9,855
G02	2,791	134	2,925
G03	7,021	491	7,512
G04	20,139	1,116	21,255
G	39,208	2,339	41,547
H01	15,174	944	16,117
H02	3,929	216	4,144
H03	3,495	201	3,697
H04	11,356	635	11,991
H05	23,310	1,180	24,489
H	57,264	3,175	60,439
I01	4,399	227	4,625
I02	1,938	107	2,045
I03	1,074	77	1,150
I	7,410	411	7,821
K01	1,970	87	2,056
K02	2,400	147	2,547
K03	3,062	165	3,227
K04	2,306	125	2,431
K	9,738	523	10,261
L01	10,534	616	11,150
L02	7,731	424	8,155
L03	17,520	1,010	18,531
L	35,786	2,050	37,836
X01	41,031	3,461	44,492
X04	53,289	2,920	56,209
X03	22,258	257	22,515
X02	82,516	3,888	86,404
X	199,094	10,526	209,620
Y01	65,200	3,541	68,740
Y02	24,526	1,639	26,165
Y03	11,829	497	12,325
Y	101,554	5,676	107,231
FAOR01	39,929	7,050	46,979

SO/FO and Org Result	Net Appropriation before cost increases	Cost Increases	Net Appropriation after cost increases
FAOR04	14,978	2,729	17,707
FAOR06	0	0	0
FAOR07	2,116	63	2,178
FAOR05	6,655	1,270	7,925
FAOR02	13,666	974	14,640
FAOR	77,343	12,087	89,430
TCP01	4,292	381	4,672
TCP02	104,929	2,140	107,069
TCP	109,221	2,521	111,741
601	600	0	600
6	600	0	600
805	10,700	441	11,141
803	5,169	244	5,413
802	4,833	70	4,903
801	2,884	89	2,973
806	5,300	0	5,300
807	4,068	160	4,228
804	2,650	86	2,736
808	(5,000)	(391)	(5,391)
8	30,604	699	31,303
901	11,333	326	11,660
903	(1,400)	(38)	(1,438)
902	14,022	396	14,418
9	23,955	685	24,640
Total	941,067	54,945	996,012