



联合国  
粮食及  
农业组织

Food and Agriculture  
Organization of the  
United Nations

Organisation des Nations  
Unies pour l'alimentation  
et l'agriculture

Продовольственная и  
сельскохозяйственная организация  
Объединенных Наций

Organización de las  
Naciones Unidas para la  
Alimentación y la Agricultura

منظمة  
الغذية والزراعة  
للأمم المتحدة

E

# CONFERENCE

## Forty-first Session

Rome, 22-29 June 2019

### Interim Report on the Quadrennial Comprehensive Policy Review (QCPR) of Operational Activities for Development of the United Nations System

#### Executive Summary

The Quadrennial Comprehensive Policy Review (QCPR) is the mechanism through which the United Nations General Assembly (UNGA) 'establishes key system-wide strategic policy orientations and operational modalities for the development cooperation and country-level modalities of the United Nations development system' (UNDS).

In December 2016, the UNGA adopted a new resolution (71/243) on the QCPR of UN operational activities for development that builds on, and continues the work of the 2012 QCPR resolution (67/226) towards an effective, efficient and coherent UN development system. In May 2018, the UNGA also approved Resolution 72/279 on the 'Repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system'.

The Conference has requested the Director-General to take action to implement the UNGA resolutions on QCPR. This is the seventh progress report presented to the Conference, addressing: (a) funding of operational activities for development; (b) efficiency, effectiveness and FAO's participation in the UN system coordination mechanisms; (c) other areas of relevance to FAO; and (d) emerging trends.

This report focuses on FAO's implementation of the 2016 QCPR, while also presenting initial trends related to the implementation of Resolution 72/279.

#### Suggested action by the Conference

The Conference is invited to take note of FAO's progress in the implementation of the QCPR Resolution.

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

Roberto Ridolfi  
Assistant Director-General  
Programme Support and Technical Cooperation Department  
Tel: +39 06570 50146

This document can be accessed using the Quick Response Code on this page;  
an FAO initiative to minimize its environmental impact and promote greener communications.  
Other documents can be consulted at [www.fao.org](http://www.fao.org)



C 2019

## Introduction

1. The QCPR is the primary policy instrument of the UNGA defining the way the UNDS operates to support programme countries in their development efforts. The UNGA resolutions on the “Comprehensive Policy Review of Operational Activities for Development of the United Nations System”, issued in 2004, 2007, 2012 and 2016,<sup>1</sup> are cumulative in nature.
2. The FAO Conference Resolutions 13/2005 and 2/2007 requested the Director-General to take action for the implementation of these UNGA Resolutions. The Conference reviewed progress reports at its regular sessions in 2007, 2009, 2011, 2013, 2015 and 2017.<sup>2</sup> The present report covers the main FAO milestones and achievements in QCPR implementation during the period from June 2017 to June 2019. The report also includes a final section on initial trends related to the implementation of UNGA Resolution 72/279.

### A. Funding of FAO’s Operational Activities for Development

#### *Diversification and improvement of the donor base*

##### *[Paragraph 35 of GA resolution 71/243]*

3. During the 2016-2017 biennium, FAO mobilized over USD 2 billion, exceeding the biennial target of USD 1.6 billion. Key improvements leading to this success included: a) Strategic Programmes actively bringing technical and field offices closer together to design and deliver programmes and projects; b) more proactive outreach around key programmatic areas of work; c) investment in resource mobilization, marketing and project cycle skills, particularly at country level; and d) the negotiation of several new framework agreements with important partners, such as the World Bank.
4. FAO’s top 20 donors provided 79 percent of the total voluntary contributions. Some of FAO’s top resource partners increased their contributions quite substantially in the period covered by the present document, including the European Union (EU), USAID, the World Bank and unilateral trust fund (UTF) partners.
5. FAO is also significantly increasing its engagement with climate-related financial instruments, the Global Environment Facility remaining amongst the largest providers of voluntary contributions. Following its accreditation in 2016, FAO is also strengthening its capacity and efforts to support Members through the Green Climate Fund.
6. In order to facilitate indirect project implementation, including nationally executed programmes, there was a substantial increase in the use of the Operational Partnership Implementation Modality.
7. The Organization encourages reduced earmarking of voluntary contributions through funding mechanisms such as the Africa Solidarity Trust Fund, multi-donor programmes, the FAO Flexible Multi-Partner Mechanism, and the Special Fund for Emergency and Rehabilitation.

#### *Enhancing transparency and accountability of funding flows*

##### *[Paragraph 30-33 of GA resolution 71/243]*

8. In 2016, FAO joined the International Aid Transparency Initiative (IATI), which aims to improve the transparency of aid, development, and humanitarian resources. Since 2017, FAO has been publishing information on all its project activities funded by voluntary and assessed contributions to the IATI portal on a quarterly basis.

<sup>1</sup> 59/250 (TCPR 2004), 62/208 (TCPR 2007), 67/226 (QCPR 2012), 71/243 (QCPR 2016)

<sup>2</sup> C 2007/17; C 2009/14; C 2011/26; C 2013/28; C 2015/29 ; C 2017/27.

*Defining principles for a “critical mass” of assessed contributions and improving the adequacy and predictability of resource flows*

*[Paragraphs 29 of GA resolution 71/243]*

9. FAO’s Programme of Work and Budget presents an integrated view of total resource requirements to carry out the biennial programme of work, with assessed contributions and an estimate of extrabudgetary resources. In 2016-17, assessed contributions represented 44 percent of contribution revenue and extrabudgetary resources 56 percent.

10. Voluntary contributions (estimated at 65 percent of the biennial programme of work for 2020-21) support projects, which often have implementation periods of over two years, but are not predictable in the medium term. The amount, timing and earmarking of voluntary contributions create a level of risk and uncertainty, and thus challenges concerning levels of funding and programmatic allocations.

11. FAO was actively part of the discussions on the new UN system “Funding Compact”. Through this Compact, governments commit to providing more unearmarked funding which should translate into more ‘core’ resources to be used more strategically across a range of global and local interventions; more pooled funds to enable UN entities to be more effective by working together; and more multi-year funding.

*Ensuring full cost recovery*

*[Paragraphs 35 of GA resolution 71/243]*

12. Implementation of the new FAO Cost Recovery Policy, endorsed by the FAO Council in 2015, started in January 2018. The Policy is based on full proportional cost recovery and is designed to ensure that project costs closely reflect the actual support required to deliver those activities.

**B. Improved Functioning of the United Nations Development System and FAO’s Participation in the UN System Coordination Mechanisms**

*United Nations Sustainable Development Cooperation Framework (Cooperation Framework) and FAO Country Programming Frameworks (CPFs)*

*[Paragraphs 39; 48; 50 of GA resolution 71/243]*

13. In the second semester of 2017, FAO updated the FAO Country Programming Framework (CPF) guidelines to facilitate greater alignment of FAO activities with the UN Development Assistance Framework (UNDAF) now referred to as the United Nations Sustainable Development Cooperation Framework (Cooperation Framework).

14. FAO Representatives (FAORs) are expected to actively participate in the Common Country Analysis and the formulation of the Theory of Change to facilitate alignment between Cooperation Framework Outcomes and the CPF Results Matrix, thus contributing to the achievement of government priorities and country outcomes in support of the 2030 Agenda and SDG monitoring.

15. Since the second semester of 2018, FAO has actively participated in the preparation of the new Cooperation Framework guidance and is currently finalizing a revision of the CPF guidelines to be fully aligned.

16. Implementation through pooled funding mechanisms is encouraged under the Cooperation Framework, and to enhance and improve the participation of FAO, the Appendix of the FAO Project Cycle Manual on UN Joint Programmes was updated and re-issued in 2018.

*Involvement in the UN System coordination and the Resident Coordinator System (RCS)*

*[Paragraphs 49; 50; 53-57 of GA resolution 71/243]*

17. FAO is a proactive member of the revamped UN Sustainable Development Group (UNSDG) and its working groups. In December 2018, the UNSDG approved the new Resident Coordinator (RC) Job Description that provided clarity on the new RC leadership, coordination and facilitation role to the UN Country Teams (UNCTs) and formalized their delinking from the implementation and programming work carried out by the Agencies, Funds and Programmes, both individually and collectively.

18. The UNSDG is currently finalizing the new Management and Accountability Framework (MAF), which will be critical for the smooth functioning of the UNDS at the country level. The operationalization of the MAF will call for measures by FAO to ensure effective implementation, including revising job descriptions and performance systems of FAORs. In particular, in line with the new dual reporting and accountability matrix defined by the UNGA resolution 72/279 and the new MAF, the Performance Evaluation and Management Systems for FAORs will be updated to include at least one Cooperation Framework related performance indicator.

19. The current Job Descriptions of FAORs specify their roles on "supporting the RCs in strategically positioning the UN in the country and in joint UN resource mobilization efforts". This guidance will be updated in 2019-2020 following the finalization of the MAF.

20. Through the Regional Representatives, FAORs contribute to the performance appraisal of RCs in compliance with QCPR requirements. FAORs are encouraged to actively participate in and provide inputs to the Assessment of Results and Competencies (ARC). The ARC provides for an integrated model of assessment (results and competencies) for RCs and UNCTs. The RC/UNCT performance appraisal process will be revised following the release of the final MAF document.

*Simplification and harmonization of business practices*

*[Paragraphs 61-67 of GA resolution 71/243]*

*Business operations harmonization*

21. The QCPR resolutions encourage agencies to seek efficiencies in country business operations by increasing collaboration. Based on the condition of mutual recognition of related policies and with guidance from the inter-agency Business Innovation Group, FAO intends to explore opportunities for common business operations at global, regional or national levels in selected areas of work such as administrative services, fleet management, bundling of ITC contracts, sharing of drivers and procurement.

*Joint premises*

22. Establishment of "common premises" is challenging for FAO, because the majority of its offices around the world are currently provided by governments free-of-charge (96 offices out of 152 provided by government; nine offices located in common UN house; FAO is hosting IFAD in eight offices). Aside from budgetary considerations, the present arrangement allows the Organization to work closer with its counterparts. Furthermore, experience with common premises has shown the limitations of the concept with agencies having different budgets available for office accommodation.

23. Further analysis is required on the value for money and cost-effectiveness of joint premises at UN system wide level, not only from a country-by-country perspective but also for each UN entity, particularly in the context of zero nominal growth budgets. Achieving automatically this target in all countries, without due consideration of the business case, seems unrealistic and may affect the current arrangements.

24. Therefore, FAO is pursuing a pragmatic and business-oriented approach, in line with the one size does not fit all principle in addressing the proposed common support services and common premises concept, given the clear guidance by membership to avoid additional costs.

### *Harmonization in procurement processes*

25. FAO is a member of the UN High-level Committee on Management Procurement Network and a main actor in the Common Procurement Team of the Rome-Based Agencies (RBAs) which jointly procures for headquarters when possible, shares best practices and promotes optimization of procurement activities, generating savings and other benefits.

26. In 2017, thirteen RBA common procurement activities were concluded (examples include medical and health insurance, furniture, electricity, videoconferencing, renovation works, etc.). In 2017 and 2018, over twenty-five “piggy-back” contracts were concluded among the RBAs, including IT hardware, internal audit and advisory services, IT security consultancy services, communication equipment, IT training services, managed satellite connectivity equipment and services.

## **C. Other Areas of Implementation of the QCPR of Relevance to FAO**

### *Repositioning and strengthening system-wide capacities for integrated policy support, data management, partnerships and financing to improve collective support to the 2030 Agenda*

*[Paragraphs 19-21; 47; 68; 76 of GA resolution 71/243]*

27. The 2016 QCPR, the two QCPR-mandated Secretary-General reports<sup>3</sup> presented in June and December 2017, and GA Resolution 72/279 all take as their principal objective to reposition the UNDS to deliver on the 2030 Agenda.

28. The QCPR (paragraph 19) requested the UN Secretary-General to carry out a system-wide outline of present functions “with a view to identifying gaps and overlaps in coverage and providing recommendations for addressing them.” The heads of the entities of the UNDS under the leadership of the Secretary-General were further requested (paragraph 20) to develop and present a “system-wide strategic document translating those recommendations into concrete actions ... to improve their collective support to the implementation of the 2030 Agenda.”

29. The June 2017 Report of the Secretary-General found that “the United Nations development system is still to complete its transition from the MDGs to the 2030 Agenda” and asserted that this “reflects a continuing focus on MDG-type interventions and highlights the need to embrace conceptually and substantively the full sustainable development agenda.”

30. Specifically, the report flagged four gaps for priority attention:

- a. Integrated policy services: Only “16 per cent of total funds – or similar share of total staff – were dedicated to policy advice, normative support, and data collection and analysis in 2016.”
- b. Data management: “With disaggregation of data being key to ‘leaving no one behind’, the UN development system must ramp up its ability to manage collected data and turn it into insights.”
- c. Partnerships: “We will need to embed partnerships into the core business model of the United Nations development system.”
- d. Financing: “The financing needs for the SDGs call for a comprehensive overhaul in the UN system’s approach to financing.”

31. Through its active participation in the UNSDG and its Strategic Results Groups, task teams, and reference groups, and through consultations with internal stakeholders, RBAs, and other external partners, FAO has been contributing to efforts to develop system-wide, as well as organizational perspectives on how each of these four gaps can be addressed. An emerging consensus among all stakeholders is that addressing these gaps will require experimentation with new business models,

<sup>3</sup> [A/72/124-E/2018/3](#) and [A/72/684-E/2018/7](#).

investment in new skills, particularly in relation to technology, and redeployment and strengthening of existing capacities to improve value for money in service delivery and in enabling and catalysing action by others.

### *Strengthening national evaluation functions*

#### *[Paragraph 21c of GA resolution 71/243]*

32. In response to the GA's call for strengthening national involvement in and capacities for evaluation, FAO's Evaluation Office (OED) has systematically engaged with national evaluation functions in the conduct of country-level work, and sought to build their capacities through training and knowledge exchange.

33. Since 2015, OED has strengthened engagement with national governments at all stages of its country-level evaluations to promote their national ownership and to better reflect national perspectives. OED also prioritizes the use of national consultants and experts in its evaluations to maximize use of their knowledge of culture and context, as well as for their capacity development. For example, in the period 2016-17, the evaluation of FAO's programme in Kenya was conducted jointly with two national institutions.

34. OED has also led the creation of a Community of Practice on evaluation for Food security, Agriculture and Rural Development named "EVAL-ForWARD". This initiative is jointly supported by the Evaluation Offices of the RBAs. It brings together evaluators, development practitioners, policy-makers and researchers across national institutions, and offers for many an unprecedented opportunity to access relevant training and exchange food security-related evaluation knowledge and information.

### *Joint Evaluations*

#### *[Paragraph 32 of GA resolution 71/243]*

35. In 2016-17, OED conducted two evaluations of joint programmes aimed at providing accountability and learning, while reducing transaction costs. The two evaluations were conducted with the World Organisation for Animal Health and with WFP, respectively. In the period 2018-19, OED is participating in the evaluation of a UN joint project in Mozambique together with WFP, IFAD and the EU, as well as of a joint global programme with UNDP. In addition, OED is part of the Management Group of the UN Inter-Agency Humanitarian Evaluation in Ethiopia.

36. As part of other joint evaluative work, FAO and WFP co-organized a "Lessons Learned meeting on Joint Evaluations" in Johannesburg (South Africa). The aim of the meeting was to learn from different experiences of joint evaluations and understand how to better serve the needs of the countries (main stakeholder and counterparts of evaluations). OED is developing a guidance note for conducting cost-effective joint evaluations as an outcome of the event.

### *Complementarity between humanitarian and development activities*

#### *[Paragraph 57.h of GA resolution 71/243]*

37. FAO's Strategic Framework reflects the Organization's commitment to a comprehensive vision of rural poverty and resilience, focusing on prevention, strengthening economic and productive capacities at household and community level, while promoting innovative sustainable solutions and livelihoods strategies in the context of rural transformation. This approach is reinforced by the alignment to the 2030 Agenda and the Agenda for Humanity. FAO's comparative advantage lies in knowledge generation, policy work and operational know-how to effectively support governments in

the design and implementation of shock-sensitive and responsive social protection<sup>4</sup> systems, and in the direct implementation of cash-based and cash plus interventions in emergency contexts.

38. In 2015, the three RBAs agreed on a conceptual framework<sup>5</sup> to inform the understanding, scope and modalities to jointly support the resilience of food-insecure people in relation to shocks that affect their livelihoods and food systems. The framework provides a way for the agencies to build complementary alignment across agency-specific approaches to support the resilience of food-insecure people rather than develop new approaches, thereby ensuring that RBA collaboration is cost-effective.

39. The Global Network Against Food Crises was launched at the World Humanitarian Summit (WHS) in 2016 in Istanbul by the EU, FAO and WFP to promote sustainable solutions to food crises across the humanitarian-development-peace nexus. In 2018, the EU provided a major contribution (EUR 70 million) to FAO to operationalize this Global Network to address food crises in a sustainable manner. This contribution is expected to have a catalytic effect on the humanitarian-development-peace nexus through evidence-based, context specific actions and strategic partnerships. The programme will be jointly delivered, where possible, with implementing partners at country and global level and in particular WFP.

40. At the WHS the international community has formally committed to moving progressively towards a more ‘anticipatory’ approach to humanitarian assistance. In the lead up to the WHS, both the UN Secretary General and the High Level Panel on Humanitarian Financing stressed the critical importance to shift the focus from response to prevention and mitigation and to recalibrate financing modalities accordingly. FAO, with its Early Warning Early Action initiative, is at the centre of these developments, contributing through its country and global work. Early actions for a variety of risks and agricultural sectors were implemented across Africa, Asia and Latin America throughout 2018. The results are promising, pointing to significant cost-effectiveness of early action, both in terms of saving key livelihood assets and in terms of lessening humanitarian response costs.

41. FAO is working closely with the World Bank-led initiative Famine Early Action Mechanism, which seeks to formalize, strengthen and incentivize the links between early warning, finance and implementation arrangements, thereby increasing the impact of international famine mitigation efforts.

#### **D. Trends Emerging from Resolution 72/279**

42. In November 2018, FAO presented a document on the implications and funding of the UN System Reform, to the Joint Meeting of the Programme and Finance Committees.

43. In particular, Resolution 72/279 called for strengthening the financial support to the RC System, through: (a) a 1% coordination levy on tightly earmarked third-party non-core contributions to UN operational activities for development, to be paid at source; (b) doubling the UNSDG cost-sharing arrangements amongst UNSDG entities.

44. The coordination levy became operational on 1 March 2019. FAO has participated in the discussions on how to operationalize the levy in the UNSDG Fiduciary Management Oversight Group and in other UNSDG fora. The levy is being applied when the agreement will tightly earmark the contribution to specific development-related activities (excluding pooled funds, joint UN funds, UTFs and other). While the Resolution mentions that the levy would be paid “at source”, the UNSDG has provided two options for payment of the levy: “donor administered”, where the levy is paid by the resource partner to the UN Secretariat, and “agency administered”, where the levy is paid through the agency implementing the activity.

45. Regardless of the option selected, accountability for the use of the levy is with the UN Secretariat and not the UN entity signing the tightly earmarked contribution agreement. Accordingly, all accountability for the receipt, use and reporting of the funds received from the coordination levy

---

<sup>4</sup> <http://www.fao.org/3/a-i7606e.pdf>

<sup>5</sup> <http://www.fao.org/emergencies/resources/documents/resources-detail/en/c/335336/>.

---

will rest with the UN Secretariat, which will administer and report to donors according to the terms of reference of the Special Purpose Trust Fund.

46. The FAO secretariat stresses that the “donor administered” levy is the preferred option as this involves a more streamlined process and reduces overall transaction costs.

47. In addition to the 1% levy, the funding of the RC system will be guaranteed through doubling the UNSDG cost-sharing arrangement, in compliance with Resolution 72/279. At the 160th Session of the FAO Council in December 2018, Members authorized the Organization to pay the 2019 cost-share contribution for the RC system of USD 4.7 million, an increase of USD 2.55 million over the budgeted amount. The increased contribution is also reflected in the Programme of Work and Budget 2020-21.