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PROGRAMME COMMITTEE

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Evaluation of Partnerships and Alliances - Management Response

1. Management fully appreciates the importance of building and sustaining partnerships and alliances with external parties. Cooperation between FAO and external parties has had a long history, starting from the very creation of the Organization. The purpose of working together with them has ranged from mobilisation of financial resources to commitment to shared goals, through joint activities of various types. The diversity and complexity of relations with potential partners has increased with the growth of institutions worldwide. New actors and emerging combinations of these diverse actors have important implications for the impact of FAO's work. Within such diversity, the challenge is to match FAO's goals and priority areas of work with appropriate partnerships, while maintaining adherence to corporate principles. In effect, the reform proposals submitted by the Director-General to the last Conference duly emphasized the importance of alliances, partnerships and joint programmes, including with other UN system organizations and programmes, and with regional economic integration organizations.
2. The fast changing contexts likely to mark the 21st century call for FAO – and the entire UN system – to make innovative efforts to mobilise and periodically update partnerships and alliances. They also call for a consistent and sustained strategy and approach. The present combined effect of budgetary stringency and greater decentralisation suggests the need for lighter structures and increased reliance on partners for basic services such as information management, networking, assessment, advocacy and even policy assistance and development.
3. On the whole, Management welcomes the recommendations in the report, while detailed reactions are provided in tabular form in the *Annex*. While the options proposed as to organizational arrangements are noted, it is clear that no formula can be perfect and the need for flexibility will need to remain an important consideration. It should also be recalled that the cumulative budget reductions experienced over the last biennia have severely hampered the Organization's capacity to engage actively in partnerships. The importance given to a solid information base and clear guidelines and criteria for engagement by the Organization are fully supported.

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EVALUATION OF FAO'S CROSS-ORGANIZATIONAL STRATEGY ON BROADENING PARTNERSHIPS AND ALLIANCES

Rec. No	Recommendation	Status
FAO's Partnerships with the Non-Governmental and Civil Society Organizations (NGO/CSOs)		
1	<p>Increase FAO's inclusiveness</p> <p>1.a. If the IPC is to remain the main interlocutor between NGO/CSOs and FAO on the World Food Summit follow up, it should embrace all constituencies involved in agriculture, including the whole range of actors from producers to consumers, excluding medium and large private sector firms for which different channels of interaction are suggested. This should be addressed at the time of the overall assessment of the IPC-FAO relations envisaged in 2006 as agreed between the IPC and the Organization¹.</p>	<p>Management fully shares the concern for inclusive participation by civil society actors. FAO has agreed to respect the autonomy of civil society and its right to self-organization, in line with dominant trends within the UN system as a whole. The IPC has the strong advantage of privileging participation by organizations in the developing regions and those that directly represent the most disinherited sectors of the population. FAO values this characteristic. In addition, the IPC is a consultative mechanism emerging directly from the World Food Summit process to work with FAO and other UN agencies.</p> <p>It is not to be expected that any single interface mechanism can or should bring together all civil society actors which interact with FAO. The IPC is therefore not FAO's sole interlocutor. Management will thus endeavour to ensure that any categories of civil society organizations which seek greater interaction with the Organization are identified and that appropriate solutions are found, including within the National, Regional and International Alliances Against Hunger.</p>
1	<p>1.b. Concurrently, the Organization should keep abreast of the complex and evolving institutional landscape of NGO/CSOs into networks and social movements and ensure that none of the range of actors mentioned be excluded from collaboration with FAO. The policy document prepared in 1999² should be updated to reflect the</p>	<p>A review of the complex and evolving landscape of civil society organizations and social movements will be undertaken in the context of reactivation of the internal CSO working group. FAO will take advantage of the UN NGO Liaison Service network of civil society liaison offices to ensure that information and insights from other parts of the system are available to FAO. One of the working group's tasks will be to update the 1999 policy and</p>

¹ Letter of the Director-General to the IPC International Focal Point dated 16 January 2003.

² FAO Policy and Strategy for Cooperation with Non-Governmental and Civil Society Organizations, 1999

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	openness and inclusiveness of FAO and prioritization of partnership areas.	strategy document. An update of the policy, although welcome, should be accompanied by stronger resource commitments in order to implement measures for greater collaboration and partnerships with civil society.
2	<p>Improve knowledge management and facilitate organizational learning</p> <p>A set of knowledge management tools could be developed, such as:</p> <p>2.a.a) a data base in the Field Programme Management System (FPMIS) with technical divisions and field offices entering information on NGO/CSOs and what they do within the framework of projects;</p>	<p>All of the recommendations listed here have been part of the work programme of TCDS and often of the internal working group but have not been carried to completion due to limited resources. Management will endeavour to prioritize the recommendations taking account of available resources.</p> <p>A corporate data base in the FPMIS was created several years ago with the assistance of the internal working group but did not progress from intranet to internet due to technical problems and lack of resources. An effort will be made to complete this project since it is a basic tool for management of civil society partnerships.</p>
2	2.a.b) reviewing the list of INGOs with formal status with FAO to verify their interest in maintaining relations with FAO;	<p>Management agrees that a review of this nature is necessary. Whenever possible INGOs in formal status should be encouraged to develop Memoranda of Agreement with FAO setting out work programmes whose progress can be reviewed periodically. The corporate data base will also make it possible to verify actual cooperation.</p> <p>Such a review implies in addition examination and proposals for revisions of the FAO Basic Texts, specifically the sections relative to INGOs.</p> <p>Although the recommendation does not specify the desirability of reviewing whether listed NGOs still meet the criteria, the current list includes several organizations that may more properly be considered as Private Sector and lobbying entities rather than as INGOs.</p>
2	2.a.c) reviving the internal group of NGO/CSOs divisional focal points for sharing experiences and positive lessons;	Management agrees that the internal working group, including regional and subregional offices as well as technical divisions, should be revived with updated Terms of Reference and working methods.

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2	2.a.d) reviewing periodically the results of applying the PPRC criterion on building partnership and alliances;	Management agrees that periodic reviews of applying this criterion would be useful and should be undertaken by the Programme Review Committee.
2	2.a.e) enhancing the recently revived Web page by exploring the possibility of a community of practice website, rather than the present one-way communication;	Although this recommendation is attractive it would require staff resources which are not now available. Efforts will be made to see if it could be undertaken in partnership with appropriate civil society organizations and/or drawing on extra-budgetary funding.
2	2.a.f) linking to the Web page of the technical offices' special communications and materials for parliamentarians, indigenous peoples' organizations and youth organizations.	Links of this nature already exist on themes such as the right to food, genetic resources, global forestry resources, integrated pest management and the SARD initiative. More will be added in consultation with the reactivated internal working group.
2	2.b. The unit in charge of relations with NGO/CSOs, with the collaboration of the divisional focal points, could use the various knowledge management instruments set in place to assist in mapping existing and potential NGO/CSO contributions to FAO's normative and operational work, ensuring that the Organization is as inclusive as possible of different food and agriculture constituencies. Such mapping could serve the purpose of prioritizing strategic partnerships, helping to avoid organizational fragmentation, create opportunities for synergies and identify new partners.	<p>Management notes that the unit consists of 1 staff person, so the programme of work will have to include definition of priorities and calendar of implementation.</p> <p>A mapping exercise will be undertaken once the corporate data base of civil society partnerships has been operationalised. It will incorporate relevant information available through the PPRC records and PIREs. To be complete, it should also draw on information that would be available only at country level. Collection and analysis of such information is included among the recommendations of the review of country-level cooperation with civil society undertaken by TCDS in 2005 and will be implemented selectively within the limits of available resources. Such an exercise of mapping existing cooperation will not in itself identify gaps or prioritize partnerships, but it will provide an excellent basis for doing so.</p>

Rec. No	Recommendation	Status
	II. FAO's Partnerships with the Private Sector	
3	<p>III. Refine the strategy for partnering with the private sector</p> <p>The strategy and policy for partnering with the private sector should be revised in light of the above findings and conclusions, and taking into account a series of fundamentals:</p> <p>3.a. Differentiation between the types of partners with which FAO should partner, and what FAO should look for in each category of private sector partner. In particular, a distinction must be made between the multi-national companies, SMEs in developing countries, and philanthropic foundations which, in the latter case, should be targeted more for their sponsorship capacity. In addition, as explored further in section E.2. Addressing Reputation Risk, a first screening process could be operated through companies' adherence to the Global Compact, followed by review by an external agency.</p>	<p>Management agrees with the proposal, which would be instrumental in achieving success in developing constructive partnerships.</p> <p>This is very important given FAO's relations with different types of private sector entities addressing a diverse set of issues. However, Management would like to note that adherence to the Global Compact does not provide much information about the suitability of companies as partners to FAO since the Compact has no mechanism to check to see whether they have adhered to the Compact principles or not. There are companies in the Global Compact that FAO has had issues with in the past which belong to the pesticides and food manufacturing sectors. It is recommended therefore, that adherence to the UN Global Compact not be used as a blanket pre-approval but be viewed as one of several factors to be taken into account when screening partners.</p> <p>In addition, Management believes review by an external agency would not be desirable because FAO has specific areas where such risks are particularly manifest (pesticide industry, biotechnology, sugar industry, food industry, etc.), especially where there is involvement of partners in policy development. This screening should be done internally by persons who know the sector and history of FAO interactions with the companies concerned, and are aware of the specific risks associated with partnerships in this sector.</p>
3	3.b. Recognition of the limited scope for partnering on an equal footing with multinational companies, while acknowledging that multinational companies are major actors along the food chain and cannot be ignored.	Partnerships with multinational companies should be thought of as more global in nature and particularly as an opportunity to address global public goods related issues (see below).

Rec. No	Recommendation	Status
3	3.c. Need to explore the opportunities presented by the developments in Corporate Social Responsibility programmes within multinational companies and private sector Codes of Conduct, in particular within the framework offered by the Global Compact. As an example, interaction and common ground with adhering companies could be a possibility in the pursuit of the principles addressing environmental issues, or for the protection of community livelihoods (Principle 1). The Codes of Conduct developed under the aegis of FAO present another opportunity.	Management notes that FAO's partnerships with the private sector could be used as leverage to promote Corporate Social Responsibility. While it would be difficult to ensure adherence of companies to Codes of Conduct and other socially responsible actions, FAO should seek to promote good practice through its partners and its joint activities wherever possible. FAO as the UN agency specialized in food and agriculture could play an important role in promoting Corporate Social Responsibility in these sectors.
3	3.d. Greater pro-activeness from FAO Representatives is required to identify small and medium enterprises in developing countries with which the Organization could partner, recognizing that collaborating with them will probably require significant capacity building effort.	Management confirms the importance of FAORs relating more effectively to the private sector, noting the need to provide them with the relevant resources and tools to carry out this role. In this regard capacity building in partnership development, particularly with the private sector, is necessary. Such capacity building efforts should focus on all aspects of partnerships from political sensitivity to operational activities.
3.	3.e. Requirements of FAO's field programme and the broad areas identified through FAO's normative work on developments in the agri-food sector should be built upon. Other agencies' (UNIDO, ITC) experience in agri-food chains approaches and support to small and medium enterprises should also be acknowledged and a more pro-active stance should be taken to link with these agencies.	Management agrees that partnership development should build upon FAO's normative work and its experiences in the field programme and more interaction with other UN agencies and international organizations. It should be noted that FAO must define specific products/themes that lend themselves to effective partnerships in specific areas. These should be considered as important inputs into the overall strategy.
3	3.f. Need for basic decisions on the amount of risk FAO is prepared to take in its relationships with the private sector and the implications, allowing the Organization to foster a culture capable of dealing with the private sector in the programmatic areas identified, and guiding staff on procedures and execution of expert and multi-stakeholder consultation processes.	Management agrees that there should be a clear understanding, agreed at senior level and implemented throughout the Organization, as to the amount of risk FAO is prepared to take.

Rec. No	Recommendation	Status
3	3.g. Differentiating resource mobilization for FAO's work from other purposes in partnering, and associating it with other resource mobilization efforts. Resources and skills needed for doing this work should be adequately assessed, and decisions taken on how much effort is justified in terms of funds mobilized.	Management strongly agrees with this recommendation and would like to stress the fact that partnership with the private sector should be geared toward longer lasting and substantial partnerships, capable of addressing development issues, particularly the attainment of food security goals. This means that private sector partnerships should not be confined to resource mobilization. In this context, it is also important to have a clear distinction between resource mobilization for FAO projects and activities and promotion of increased private sector investment in Member Countries (resource mobilization to countries).
4	<p>Increase mutual knowledge</p> <p>4.a. The pilot nature of private sector partnerships in programmes and projects so far suggests carrying out assessments of these experiences with a view to better understanding partners, gains and constraints. In general, the stock-taking exercise started with this evaluation should be pursued and consolidated, and knowledge from these experiences disseminated throughout the Organization. Particular cases of success and failure should be made widely known to staff.</p>	While the exchange of information with regard to experiences with private sector partnerships could be very useful, it should be noted that such assessments and consolidation of experiences entails substantial human and financial resources that FAO does not currently have.
4	4.b. A business-friendly communication strategy should be devised. It could comprise an annual information meeting, similar to the model set up by UNEP; enhancing the new dedicated webpage on the FAO site; improved communication about FAO on the UN website for businesses; increased linkages with the Global Compact, in order to both tap the accumulated knowledge on the Private Sector, and to present FAO work that is relevant and of interest to the broader business community (e.g., the Codes of Conduct formulated in FAO); and a presentation by FAO staff of the Organization's work at international private sector conferences or	Management agrees that a business-friendly communication strategy would be useful. It should be noted that a Web site for private sector was developed in 2005 and other activities such as frequent interaction with the UN private sector offices, meetings with the business community and the Global Compact are taking place to present FAO's work and to exchange information to tap on accumulated knowledge. In this context it would also be valuable for technical divisions to disseminate experiences in house to tap on existing knowledge. However, increased efforts in communication would entail additional human and financial resources.

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	other fora.	
4	4.c. Staff information, training and capacity development should accompany this process to reduce the distance between FAO and the private sector. The Organization could draw from what is being done in other agencies (e.g. The World Bank), and establish a mechanism for sharing information in-house on private sector experiences (e.g. seminars by FAO and private sector visitors).	Management endorses this recommendation and would like to stress the importance of a well focused capacity development effort at all levels. Staff must understand how to build partnerships with the private sector while understanding the need to safeguard the principles of the Organization and interests of all its member countries.
	Partnerships with Research Institutions	
5	<p>Develop a corporate approach to research partners</p> <p>5.a. With a view to enabling full interaction and mutual knowledge between the CGIAR and FAO departments at various levels, consideration could be given to the establishment of a Task Force of key Directors and Chiefs engaged in close collaboration with the CGIAR to guide FAO-CGIAR relations and multi-departmental participation (including technical staff as appropriate) in the annual CGIAR meeting. From the CGIAR side, a focal points system (mirroring that of FAO) would also facilitate interaction and mutual knowledge at working level.</p>	<p>Management supports this recommendation noting that a Task Force composed of Directors and Chiefs of the technical units covering the themes of the International Agricultural Research Centres (IARCs) was already established in 1994. The members of the multi-departmental Task Force have been instrumental in the provision of FAO technical inputs in the restructuring process of the CGIAR, the Annual General Meetings (AGM) and in the Executive Committee (ExCo) meetings, in keeping with FAO's role as co-sponsor of the CGIAR. Budgetary reductions, and concomitant personnel implications, of the past biennia have affected previous levels of staff time dedicated to the FAO-IARCs Task Force. Management will further reinforce the Task Force in the context of the progressive implementation of the reform proposal. Current levels of financial resources will deter from expanding staff participation in the AGMs. Management strongly endorses the recommendation that the CGIAR would establish a focal point system, mirroring the system existing in FAO, to facilitate interaction and mutual knowledge. Management will make an official proposal to the CGIAR and Directors of the IARCs to elicit their reaction and position.</p>

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5	<p>5.b. The work currently under way to elaborate a corporate policy for the designation of FAO reference or collaborating centres should continue, either under the Technical Cooperation Department or under the joint chairmanship of the Agriculture and Economics and Social Departments, whose activities are closely and technically relevant. The WHO model of collaborating centres could be investigated further for its possible adaptation to FAO. Such a model is inspired by WHO's policy of assisting, coordinating and making use of the activities of existing institutions to contribute to advances in health research. Partnerships with the collaborating centres are considered by WHO as a cost-effective way of extending the organization's normative and technical cooperation work. However, in examining such an option, attention should be given to the resource requirements of such a system.</p>	<p>Management agrees that efforts continue to establish a corporate policy for designating FAO reference centres in order to avoid incoherent and fragmented approaches. Inter-departmental consultation including the Legal Office has led to agreement on the term "Reference Centres" as a valid denomination.</p> <ol style="list-style-type: none"> 1. Management also supports the call for the development of guidelines or criteria to avoid duplication of agreements, noting the disadvantages of current practice but also noting that with modest oversight the risks of negative image for the Organization from some partnerships are minimal judging from precedent. 2. Management also suggests that the WHO model is valuable and worthy of further examination, but that there are other models useful for FAO. For example, the OIE system of reference laboratories is more relevant to AGA than the WHO example (see http://www.oie.int/eng/OIE/organisation/en_LR.htm).
6	<p>Increase mutual knowledge</p> <p>6.a. There is scope for institutionalizing a substantive joint FAO/CGIAR stock-taking exercise of FAO-CGIAR collaboration on a recurrent basis, for example every four to five years through the suggested Task Force. Such periodic review would allow learning, from an analysis of implementation, about the respective roles in research and in support to the countries' institutional environment for the adoption and adaptation of research results. It could be organized along regional and/or thematic lines and help set and review priorities with respect to the public goods addressed collectively by the CGIAR and FAO. This would streamline respective roles in the research and development continuum, from basic research to technology transfer through national institutions. It</p>	<p>Management supports the recommendation that a substantive joint FAO/CGIAR stock-taking exercise of FAO-CGIAR collaboration is undertaken on a recurrent basis through the reinvigorated FAO-IARCs Task Force and the proposed CGIAR focal point system mentioned in recommendation 5a. The proposed exercise would substantially contribute to building synergies and complementarities. Management is also in agreement that this initiative would allow streamlining of respective roles in the research and development continuum and would therefore be conducive to significant gains in efficiency. In exploring the modalities and features of joint stock-taking, due consideration should be given to the resources required and assessed against expected benefits.</p>

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	could also help highlight areas where further synergies could be realised (e.g. strengthening policy analysis capacity and facilitating institutional innovations to support sustainable reduction of poverty and hunger in developing countries).	
6	6.b. Similarly, periodic reviews could be conducted on partnerships with research institutions on thematic areas of FAO's work and/or with a regional focus. Through such reviews it could also be possible to capture the multitude of research activities and networks initiated by other UN organizations and of interest to the work of FAO, e.g. the UNESCO biotechnology network, the UNCTAD Gateway to Science and Technology for Development, just to name a few. To be a partner in such information and knowledge networks is essential given that agricultural growth is increasingly 'knowledge-driven' and 'knowledge-intensive'.	Management recognizes the validity of the recommendation that recurrent reviews of partnerships with academic and research institutions be undertaken, but at the same time envisages difficulties in the implementation of the proposed activities. Unlike the IARCs of the CGIAR, academic and research institutions are a constellation of organisms very diverse in scope, legal status, geographical coverage, mandate and excellence. Even the proposed conduct of the recommended reviews on thematic areas or regional focus does not seem to address these difficulties and issues of cost, cost-effectiveness and subsequent implementation. At the same time, management is aware that agricultural growth is increasingly "knowledge-driven" and "knowledge-intensive" and welcomes the recommendation for a more effective coordination with other UN Agencies engaged in research activities and networks. Management will continue to support FAO's participation in coordination meetings and events organized by the UN System on research-related matters falling under FAO's mandate.
	FAO's Partnerships with the UN System, the World Bank, and Other Inter-Governmental Organizations	
7	<p>IV. Enhance country-level partnerships with UN organization, especially for the pursuit of the MDGs</p> <p>V. 7.a. Opportunities for partnerships with agencies having strong field presence and operational capacity should be more systematically explored. They should build on the models of existing corporate agreements with a clear division of labour (e.g. FAO-UNHCR Joint Letter, Memoranda of Understanding, or similar arrangements with UNICEF, ITC).</p>	Management encourages stronger relations in the field with other UN agencies. OCD and the TC units responsible for field programme will work with the unit for UN system relations and the Decentralised Offices in order to identify promising models for agreements and new arrangements.

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7	7.b. National Priority Frameworks (based on the model proposed in the Evaluation of FAO's Decentralisation and approved by the Director-General) will help to provide potential partners an indication of FAO's intentions in the country and its capacity and resources requirements. This would provide, in turn, the basis for FAO Representatives to identify areas where partnership should be most sought. FAO may wish to build on work already undertaken by WHO on its Country Cooperation Strategies.	Management will communicate this recommendation to units responsible for briefing the FAO Representatives on the NPFs and models such as WHO's Country Cooperation Strategies.
7	7.c. FAO Representatives should be encouraged to identify partners at country level and seek agreements for specific purposes (e.g. UNICEF-FAO Memorandum of Understanding in Sudan for the promotion of food security in Sudan).	Management agrees and notes precedents for such country-level agreements. The Regional and Sub-regional offices will orient the FAO Representations to catalyse more systematic collaboration at the country level.
8	<p>Clarify roles among the Rome-based agencies</p> <p>While it is recognised that the bilateral joint letters between FAO and each of the two Rome-based organizations constitute an important step towards strengthening collaboration, FAO, IFAD and WFP should make a joint policy statement in the form of a Memorandum of Understanding signed by the three heads of organizations. Such a document could identify areas of collaboration and clarify division of labour, not only on the basis of respective mandates, but also considering each organization's capacity and resources. The basis of the policy statement should be the above-mentioned joint conceptual framework of the twin-track approach, and should aim at concretizing it at various levels and through various modalities of partnerships.</p>	Management will explore mechanisms for further strengthening of inter-agency collaboration with the Rome-based agencies during the next biennium.

Rec. No	Recommendation	Status
	<p>Institutional Arrangements in Support of the Strategy: Overall Management of Partnerships</p>	
9	<p>Under the zero-cost implications constraint, the Evaluation Team puts forward two main options: content-driven and holistic strategic management of partnerships. It also suggests that mixed solutions can be examined, combining positive features of both options.</p>	<p>Management judges that a mixed solution combining advantages of both content-driven and holistic approaches to strategic management of partnerships is the most advantageous. Management comments on the content-driven and holistic approaches are provided below. Management proposals are summed up at the end under the mixed solution heading.</p>
9	<p><i>Proposal A: Towards A more Content-Driven Strategic Management of Partnerships</i></p> <p>9.A.a. All the functions relating to the UN and IGOs should be merged in the same unit without prejudice to the responsibilities of competent focal point units for substantive matters relating to cooperation and partnerships with UN system organizations.. Responsibility for UNDG could be placed in SADN, with a transfer of relevant staff and non-staff resources.</p>	<p>Management supports placement of overall focal point responsibility for the UN system with SADN while maintaining responsibility for operational cooperation and relations with the World Bank and other financial institutions with TCD. Transfer of the staff responsible for relations with the UNDG to SADN is under consideration.</p>
9	<p>9.A.b. Lead and responsibility for strategic partnerships with non-state actors could be transferred to the technical units which have the most relevant programme of work for coordinating those strategies, and can best provide these relationships with a strategic content. This is already the case for research institutions. Such additional responsibilities can only be effective with the transfer of resources corresponding to these functions. The technical units could take the lead through a Partnership Coordinator (former TCDS focal point) who would work through networks involving officers from other relevant units. Under this proposal and to ensure</p>	<p>Management supports the recommendation that responsibility for relations with research institutes continue to be vested with SDRR given this unit's explicit mandate to deal with research and bearing in mind that maintaining and building partnerships require investments in human as well as financial resources. Recommendations 9b), 9c) and 9d) are already implemented by SDRR in the case of partnerships with research institutions. Should additional financial resources not be available to maintain current levels of partnerships an option will be to reduce current levels of partnership to a number manageable within existing resources. This implies an exercise in priority-setting and decision-making to change, eliminate, limit and/or consolidate existing and future partnerships and alliances.</p>

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	wider ownership of partnership within the Organization, internal networking and an inter-departmental and inter-disciplinary vision of partnerships would be fundamental in these functions.	Regarding civil society, Management judges that it is preferable to vest focal point responsibility in a central position given the very wide diversity of civil society actors and forms of cooperation with them and the fact that such activities are spread out so broadly throughout the technical divisions and decentralized offices. The location of the staff responsible for civil society relations is currently under consideration. A similar case can be made for the private sector focal point, since units throughout the Organization need to build private sector partnerships and no one technical unit is more intrinsically equipped than others to deal with the issues that this form of relations entails. It should be noted that the staff and non-staff resources associated with civil society and private sector partnership functions are so minimal that further fragmentation would lead to ineffectiveness.
9	9.A.c. Technical divisions should retain responsibility for the partnerships they manage (as is the case now).	This is already the case and Management agrees that it should remain so.
9	9.A.d. Partnerships coordinators in the various units where partnership resources would be transferred should link with decentralised offices with the objective of promoting, supporting and strengthening partnerships at a country level.	Overall strategic responsibility for linking with decentralized offices would be vested with SADN (and TCD for operational partnerships), SDRR and the unit(s) where civil society and private sector focal points will be situated. Relations with decentralized offices regarding each specific partnership will continue to be the responsibility of whichever technical unit is promoting it.
9	9.A.e. Operational matters linked to screening and repository of agreements should be led by the Legal Office.	Management will consider this recommendation within the context of other changes being made in support of the reform proposals.
9	9.A.f. Regional, Sub-regional and Country offices should have greater authority and autonomy to dispose of resources for engaging in partnerships at their respective regional, sub regional and country levels.	Management will consider this recommendation within the context of other changes being made to support the reform proposals of the Director-General for the whole Organization. Partnerships with research institutions will be more efficiently managed from headquarters and in consultation with the decentralized offices.

Rec. No	Recommendation	Status
		Initiatives in this regard for the Decentralized Offices include: <ul style="list-style-type: none"> • Funds for participation in UNCT activities • Liaison/partnership with REIOs • Partnerships with Universities for strengthening capacity (through OCD)
9	<p><i>Proposal B: Towards a More Holistic Approach to Partnerships</i></p> <p>9.B.a. All functions relating to strategic partnerships with main external partners, excluding funding partnerships handled by TC, would be merged in one unit: the Partnership and Coordination Unit. The roles of this unit would be (in general terms): (i) to provide strategic guidance on all partnerships at all levels of the Organization, including with decentralized offices; (ii) to consolidate and disseminate partnership experiences throughout the Organization. The most appropriate location of such a unit would also require further analysis for which the Evaluation does not have the basis, but a central neutral position would be necessary.</p>	<p>Management considers that this recommendation is not appropriate given the wide diversity of kinds of partnerships practiced by FAO and the fact that there are cogent arguments for locating focal point responsibility for some of them in different parts of the Organization.</p>
9	<p>9.B.b. Above elements (9.A.) c, e, and f remain the same in such a proposal.</p>	<p>Related to preceding remark.</p>
9	<p><i>Mixed solution combining elements of content-driven and holistic approaches</i></p>	<p>This is the preferred solution of Management since it combines advantages of both of the two other proposals: Focal responsibility for each of the four categories of partnerships examined in the evaluation will be invested in an appropriate unit of the Organization. The Research and Technology Development Service (SDRR) will continue to act as the focal point for research and academic institutions, including the International Agricultural Research Centers (IARCs) of the CGIAR. The Unit for Relations with the UN System (SADN) will have focal point responsibility in this domain</p>

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		<p>working together with the relevant units of TC Department. Responsibility for strategic and policy oversight of partnerships with civil society and the private sector will be vested with the relevant staff of TCDS, who may be transferred to the Office of WFS Follow-up and Alliances. Each of these focal points will be responsible for creating or reviving appropriate mechanisms for in-house coordination and, where necessary, for corporate screening of partnerships. Overall coherence and coordination will be ensured by periodic meetings of the focal point officers of the four categories of partnerships discussed in the evaluation report and any important new ones which may emerge. Issues requiring senior management attention will be reported to the DDG.</p>
	<p>Institutional Arrangements in Support of the Strategy: Addressing Reputation Risk</p>	
10	<p>VI. Streamline procedures</p> <p>VII. The mandate and functions of the Sponsorship Committee were reviewed by TCDS and the Working group with a view to address some of the above-mentioned issues as well as strengthening the facilitating role of the mechanism. The results were translated into Director-General's Bulletin No. 2005/28, published on June 16th, 2005. The Evaluation Team recommends:</p> <p>VIII.</p> <p>IX. 10.a. A first screening of potential partners could be carried out prior to approaching them, so that they are already "pre-approved". Signatories of the Global Compact, and companies with a recognized record in Corporate Social Responsibility could be "pre-selected", and a screening process of all partners could be outsourced to an agency (used by the Global Compact and/or some</p>	<p>FAO, through the Private Sector Partnerships Advisory Committee (former Sponsorship Committee) has also managed image and reputation risk issues in a successful manner in the past few years. The evaluation notes that the Committee endorsed about 87% of all partners/sponsors submitted for approval. The committee now has a recognized presence and has also been instrumental in guiding the staff in its approach to the private sector to minimize the image risks to the Organization. In 2005, the Committee has developed new terms of reference to introduce a constructive approach in terms of reviewing partnerships within relevant contexts.</p> <p>10.a. Management would like to note that adherence to the Global Compact does not provide much information about the suitability of companies as partners to FAO since the Compact has no mechanism to check to see whether they have adhered to the Compact principles or not. There are companies in the Global Compact that FAO has had issues with in the past which belong to the pesticides and food manufacturing sectors. It is recommended therefore, that adherence to the UN Global Compact not be used as a blanket pre-approval but be viewed as one of several factors to be taken into</p>

Rec. No	Recommendation	Status
	other UN organizations).	<p>account when screening partners.</p> <p>In addition, Management believes review by an external agency would not be desirable because FAO has specific areas where such risks are particularly manifest (pesticide industry, biotechnology, sugar industry, food industry, etc.), especially where there is involvement of partners in policy development. This screening should be done internally by persons who know the sector and history of FAO interactions with the companies concerned, and are aware of the specific risks associated with partnerships in this sector.</p>
10	<p>10.b. To relieve the Committee from screening the bulk of minor partnerships and, in addition to the pre-approval process suggested above, "small-scale" and/or punctual partnerships should be ultimately the responsibility of the manager of the Division where the partnership is initiated, with the support of the Legal Office (as was proposed in the case of the potential partnerships for the International Year of the Rice). The private sector focal point should be systematically kept informed.</p>	<p>Management agrees that the PSPAC should be relieved of screening of large numbers of partnerships by delegating the approval/clearance of small sponsorships/partnerships to FAORs and others. It is important that there are clear and concise criteria to guide the decision makers in this process.</p>
11	<p><i>Assess partners in the context of the partnership, weighing risks against potential benefits.</i></p> <p>11.a. In examining potential partners, consideration should be given to their strengths or other contributions with which they might complement FAO's capabilities³. The selection criteria used by FAO are not adequate for a proper evaluation of partnerships. FAO should consider the approach used by UNIDO⁴: "<i>Perfect partners who fully comply with all the principles of a UNIDO partnership will</i></p>	<p>Management agrees that exploring the experiences and practices of other agencies to see how they handle partnerships with the Private Sector would be useful. It may not be realistic for FAO to completely adopt methodologies used by UNIDO or other organizations. FAO, as a standard setting body on agriculture and food, faces particularly risks of undue outside influence on policy development and standard-setting.</p>

³ UNDP policy Statement on Working with the Business Sector, New York, 2004,p8

⁴ UNIDO Business Partnerships for Industrial Development, Partnership Guide, UNIDO, Vienna,,2002,p17

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	<p><i>not necessarily be found. Rather than “perfection”, it is the willingness and ability of prospective partners to comply that counts.” In the case of the private sector, for example, UNDP further adds that they “should be assessed not only on past activities but also on current attitude, commitment and future objectives.”</i></p>	<p>Prevention of undue influence, unfair competition and impairment of our reputation as a neutral source of information, must remain fundamental criteria and prerequisites.</p>
11	<p>11.b. The decision to partner should be linked to the proposed partnership. FAO must balance risk with opportunity. Such a change in practice in the functions of the SC would necessitate the Committee having a strategic approach to partnership, and acting as the vehicle for bringing such a strategy forward. The Sponsorship Committee should be transformed into a Partnership Committee (PC), the functions of which would be to (i) provide the Director-General and the Organization with strategic guidance regarding partnerships with the private sector and non-state actors in general, and (ii) review and endorse major partnerships involving non-state actors. This is partly in line with the recently approved Director General's Bulletin mentioned above, which proposes similar functions and renames the Sponsorship Committee the “Private Sector Partnerships Advisory Committee”. However, the Bulletin describes a much simpler committee, charged with dealing with the ethical/legal/image and other risks to partnering with the Private Sector and does not cover all types of partners.</p>	<p>As a response to the recommendation to transform the PSPAC (as it is now called) into a new Partnerships Committee, Management stresses that the functions related to development of constructive partnerships remain separate from the function of screening/safeguarding against risk to reputation.</p> <p>Therefore, the formation of an all-encompassing committee may not desirable due to the often conflicting nature of the desire to establish partnerships, the value of addressing some issues through separate institutional mechanisms, and the need to safeguard the Organization's and Member Countries' interests.</p>

Rec. No	Recommendation	Status
11	<p>11.c. The review of partnerships should be based on a clear definition of partners, purposes, modalities, incentives and motives as well as an analysis of risks⁵. The PC could be assisted by a group of individuals which would be specifically in charge of assessing, addressing and managing the risks associated to the partnership.</p>	<p>Management agrees that partnerships be reviewed based on a clear understanding of the partnership and what it entails, including the risks associated with each partnership. The Private Sector Partnerships Advisory Committee is currently operating through a working group that assists the Committee in each review. Each partnership is unique, and reviews are done on a case by case basis addressing diverse issues in each review. It is preferable to carry out these reviews internally by persons who know the sector and history of FAO interactions with the companies concerned, and are aware of the specific risks associated with partnerships in this sector.</p>
12	<p>Communicate the procedures effectively throughout the Organization</p> <p>The revised policies and procedures should be disseminated to all staff of the Organization. In addition, the possibility of preparing a training module in collaboration with AFHO should be explored, in order to build and enhance staff capacity for initiating and managing partnerships.</p>	<p>Management agrees with this recommendation and is currently exploring alternatives. Management believes that FAO, as a standard setting body on agriculture and food, faces particular issues and that any capacity building effort needs to take these issues into account therefore a custom-designed training module is preferable to a standard partnership training programs implemented by other UN agencies. It should be noted Senior Management could also benefit from training on partnerships, with a modified content addressing strategic issues.</p>

⁵ Laurie Olsen proposed in an internal working document prepared for the Evaluation a template for the creation of a partnership which could be used as a basis for reviewing the screening process and operational policies.