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Progress Report on Rome-based Agencies Collaboration

Addendum

Management's Response to Member States' Comments

Executive Board — 131st Session
Rome, 7-9 December 2020

For: **Information**

Comments by the Netherlands	Management response
<p>The Netherlands welcomes the report and thanks management for its efforts to intensify RBA collaboration.</p> <p>The report rightly says that "RBA collaboration has its most tangible developmental impact at the country level". And it is good to read that a lot is currently happening in this area: several joint programmes in the Sahel, DRC and Yemen, a collaboration between FAO and IFAD in which FAO's Investment Centre supports the design of 48 IFAD-financed investment projects and joint action in the broader UN frameworks of CCA and UNSDCF. In particular are the pilot for RBAs designed joint country programmes and plans in Colombia, Indonesia and Niger very promising. But why are the three RBAs still held accountable for both their individual country strategic plans and results frameworks as well as the new generation of UNSDCFs and the underpinning CCAs? Why this double burden?</p> <p>On the efficiency agenda: we read that administrative and operational cost savings should be redeployed. But what is actually happening on the ground? Is there already any substantial progress on sharing corporate services in the field of human resources, information technology, travel plans, common premises for country offices, procurement activities, etc.</p> <p>Much of this information will become available when the independent joint evaluation on collaboration of the three evaluation offices of FAO, IFAD and WFP is concluded. But as this report will not be available before the end of 2021, the Netherlands asks for a brief current state of affairs.</p>	<p>Thank you for your feedback and comments on the Progress Report on Rome-based Agencies (RBA) Collaboration. Please find below Management's responses to your specific questions:</p> <p>Question 1: Why are the three RBAs still held accountable for both their individual country strategic plans and results frameworks as well as the new generation of United Nations Sustainable Development Cooperation Frameworks (UNSDCFs) and the underpinning common country analyses (CCAs)? Why this double burden?</p> <p>Regarding the joint country programmes in Colombia, Indonesia and Niger, all three agencies collectively agreed before developing the joint plans that each entity would continue to be guided by and accountable for their individual country strategic plans and results frameworks. Each entity is responsible for reporting to their respective Executive Board or Council on all country strategies; thus, the intention was never to replace entity-specific documents. The purpose of this exercise was to explore modalities for more systematic RBA collaboration at the country level and to harmonize the RBA contribution with system-wide strategic and programmatic thinking, in particular within the new UNSDCF. The joint plans are also intended to support national priorities towards the achievement of the Sustainable Development Goals and are recognized as the RBAs' collective offer at the country level. The plans complement and build on the strengths, comparative advantages, outcomes and outputs identified in the respective country strategy documents of the three agencies – country programme frameworks (CPFs), country strategic opportunities programmes (COSOPs) and country strategic plans (CSPs), and the existing frameworks. Nonetheless, the individual RBAs also have their entity-specific strategy documents and operational portfolios that are developed with different parts of the governments. Thus IFAD's COSOPs cover a broader range of themes within national rural transformation agendas than is defined in the RBA plans, and they demand a broader range of local partners in the public, private and civil society sectors. The same goes for FAO's CPFs and WFP's CSPs. For this reason, the RBAs cannot replace their entity-specific documents and must continue to present them to their respective governing bodies, unless specifically otherwise decided by those bodies. The three joint strategy documents are all at a well-advanced stage. As soon as they have been signed off by all parties, they will be shared with the Member States.</p> <p>Question 2: On the efficiency agenda: we read that administrative and operational cost savings should be redeployed. But what is actually happening on the ground? Is there already any substantial progress on sharing corporate services in the field of human resources, information technology, travel plans, common premises for country offices, procurement activities, etc.?</p> <p>The RBAs are fully committed to the United Nations efficiency agenda, which is intended to achieve administrative and operational cost savings to allow more resources to be invested in projects and programmes at the country level. Substantial progress has been made on sharing corporate services among the RBAs on the ground. At the country level, the RBAs are sharing premises, and in many instances this has contributed to the efficiency agenda through common facility services, enhanced sharing of information and improved dialogue. More than 50 per cent of IFAD Country Offices are co-located with FAO, WFP or other agencies. IFAD will continue to identify new joint locations when needed and feasible. Moreover, IFAD has recently established an interdepartmental working group for the Business Operations Strategy (BOS), which will enhance collaboration at the country level in all six of the operation services lines addressed by the strategy: procurement, finance, human resources, information and communications technology, logistics and administration. This is being done in an effort to eliminate duplication and leverage the bargaining power of the United Nations as a whole to maximize economies of scale. To date, IFAD has currently engaged in 29 BOS agreements at the country level.</p> <p>Within this context, the RBAs aim to ensure that their efforts at the country level are in full alignment with those of the United Nations efficiency agenda. In an effort to further assess the efficiency agenda and the cost savings in corporate services, a feasibility assessment of enhanced collaboration in administrative functions (including opportunities for cost savings) is being undertaken. This feasibility assessment includes the following: a mapping of potential areas for collaboration, a deep dive in two areas of RBA collaboration on corporate services and a detailed report recommending next steps. As part of the assessment, the current RBA operations were mapped against those identified by the Business Innovations Group (United Nations reform agenda) for the BOS and Common Back Office (CBO), to assess the potential level of cooperation and efficiency gains to be achieved if the services, as identified in the common operations service catalogue, are delivered jointly. Given the magnitude of the CBO global roll-out, being led by the United Nations Development Coordination Office (DCO) with a target delivery by 2022, preliminary findings suggest that the RBAs should align future business transformation plans with the broader United Nations reform implementation plans regarding resident coordinators (which extend well beyond the remit of the RBAs alone).</p>

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Comments by the Netherlands	Management response
	<p>The current mapping of existing collaboration and the feasibility of integrating administrative functions has identified significant levels of inter-agency cooperation and joint activities. These have been achieved through the commitment demonstrated by the business owners and the management of each agency. They have identified opportunities despite differences in resource management and enterprise resource planning systems and procedures, host government agreements and operational timelines. The RBAs can improve efficiencies and eliminate duplications with active knowledge-sharing, “piggybacking” on each other’s procurement contracts, joint projects and events. The RBAs will identify a suitable time in 2021 to present more in-depth findings to all Member States together with recommendations, including prospects for efficiency gains moving forward. This will trigger a conversation on how to redeploy the efficiency gains. We also look forward to the joint RBA evaluation, which will be available next year and will shed more light in this regard.</p>

Comments by France	Management response
<p>1. France welcomes the Progress Report on Rome-based Agencies collaboration and looks forward to its being complemented by:</p> <ul style="list-style-type: none"> - First, the feasibility assessment on current and future corporate services collaboration to be concluded at year-end 2020; - Second, the independent joint evaluation on collaboration among the UN Rome-based agencies to be completed in 2021. <p>2. At present, we note with regret that the report does not provide detailed data on shared services and the synergies and savings to be derived therefrom, both at headquarters and country level.</p> <p>3. In particular, with respect to §11 of the report and the associated figure 1, we would appreciate to receive detailed information on the establishment and use of shared premises in countries where two or more RBAs are present.</p> <p>4. Whereas France strongly supports the objective to continue to strengthen RBA collaboration within the UN reform, we expect future reports to contain objective and quantitative data allowing Member States to assess RBA collaboration more effectively.</p>	<p>With reference to the comment in paragraph 1: Thank you for your feedback and comments on the RBA Progress Report. We are pleased to report that the RBAs are in the process of finalizing a feasibility assessment of enhanced collaboration in administrative functions (including potential opportunities for cost savings). This assessment includes the following: a mapping of potential areas for collaboration, a deep dive in two areas and a detailed report recommending next steps. The RBAs will identify a suitable date to present more in-depth findings to all Member States together with recommendations, including prospects for efficiency gains moving forward. We also look forward to the independent joint evaluation on RBA collaboration, which will be available next year. The evaluation will be a useful tool for all three agencies, as it will take stock of collaboration to date. We are confident that this evaluation will provide us with informed decisions about enhancing collaboration to contribute to the achievement of the 2030 Agenda for Sustainable Development.</p> <p>With reference to the comment in paragraph 2: The feasibility assessment currently under way will provide additional data on shared services, to identify whether savings can be derived at both the country and headquarters levels. As part of the feasibility assessment, the current mapping of existing collaboration and the feasibility of integrating administrative functions has already identified significant levels of inter-agency cooperation and joint activities. These have been achieved through the commitment demonstrated by the business owners and the management of each agency. They have identified opportunities despite differences in resource management and enterprise resource planning systems and procedures, host government agreements and operational timelines. It is currently difficult to collect concrete quantifiable data across the RBAs and assess whether there are cost savings to be derived for several reasons – for instance, a critical minimum mass of collaboration activities has yet to be reached, and there are no common contracts in place at the moment. Given the timing and roll-out of the BOS being led by DCO with a target operational delivery by 2022, several pilots are being put in place. Preliminary findings suggest that the RBAs should explore alignment of future business transformation plans within the broader United Nations reform implementation plans under the resident coordinators in each country. This would affect decisions regarding RBA engagement in those countries, in order to ensure fuller alignment with other United Nations Country Teams.</p> <p>With reference to the comment in paragraph 3: With respect to figure 1 of the report, IFAD is pleased to note that more than 50 per cent of IFAD Country Offices are co-located with FAO, WFP or other agencies. This exceeds the target set by the Secretary-General, which was to increase the proportion of United Nations common premises to 50 per cent by 2021. IFAD currently shares premises with the other RBAs in 10 locations: with FAO in six locations (Plurinational State of Bolivia, Burundi, Ghana, Madagascar, Rwanda and Sierra Leone) and with WFP in four locations (Nepal, Niger, South Africa and Zambia).</p> <p>With reference to the comment in paragraph 4: We take note of the need to include more objective and quantitative data in the report, and will continue to improve the report with concrete data. This year’s report followed an evidence-based methodology with a new structure and format focusing on more strategic issues, concrete achievements and lessons learned to identify strategic priorities for future collaboration.</p>