**Inter-Agency Business Operations Harmonization at country level**

As part of an ongoing effort of UN system to achieve more cost-effective support services at country level, the [United Nations Development G](https://undg.org/home/about-undg/)roup (UNDG) developed the [Business Operations Strategy (BOS)](https://undg.org/main/undg_document/un-business-operations-strategy-guidance-note/), a flexible and voluntary tool for UN Country Teams to support the implementation of their UNDAFs through greater collaboration between UN agencies in country level business operations.

The BOS is based on existing guidance, integrated in one framework, supplemented with a limited number of (voluntary) instruments facilitating cost benefit analysis, results-based planning and monitoring and evaluation of Common Business Operations. The UNDG piloted the BOS in a number of selected countries and recently conducted an evaluation of five formal pilots. The current [BOS guidance note](https://undg.org/wp-content/uploads/2015/02/Guidance_Note_Business_Operations_Strategy_18_10_2012_Final-Draft.pdf) will be revised in 2016 to improve the approach based on lessons learned from the BOS pilots.

The UNDG also incorporated the BOS in the [Standard Operating Procedures](https://undg.org/home/guidance-policies/delivering-as-one/standard-operating-procedures-non-pilots/) (SOPs) as part of the [“Operating as One” pillar](https://undg.org/home/guidance-policies/delivering-as-one/standard-operating-procedures-non-pilots/common-services-harmonized-business-practices/). The “Operating as One” pillar will be also revised in 2016 following the revision of the [BOS guidance](https://undg.org/wp-content/uploads/2015/02/Guidance_Note_Business_Operations_Strategy_18_10_2012_Final-Draft.pdf) note.

**FAO and Inter-Agency Business Operations Harmonization at country level**

FAO is committed to continue to pursue more cost-effective support services at all levels. At country level, the UN Country Team, where FAO is full member, may decide to develop a Business Operations Strategy for the country.

Depending on the development results to be achieved, the BOS may cover some, or all, of the following func­tional areas:

1. Common procurement;
2. Common logistics and transport;
3. Common ICT;
4. Common HR;
5. Common audit;
6. Common finance;
7. Harmonized approach to cash transfers (HACT); and
8. Common premises.

Separate guidance notes on FAO involvement in each of the above specific areas will be prepared in the future following this first general information on FAO and Inter-Agency Business Operations Harmonization at country level.

FAO is encouraged to participate in discussions in UNCTs and OMTs on the possible development and participation in the BOS with the following considerations:

* The BOS and number of areas to be included in the BOS in a given country should be determined based on a rigorous and documented analysis of local needs;
* The BOS is not aimed at substituting FAO operations, but rather help to define where it would be more convenient for FAO to complement FAO business operations with those operations that are done jointly by UN agencies at country level;
* A thorough Cost Benefit Analysis on the BOS is required, assessing the extent of the Costs and Benefits for FAO for each service;
* FAO may agree to be part of BOS only when the cost benefit analysis clearly shows a ­better outcome in terms of services to the country operations and overall costs for FAO;
* The implementation of the BOS should not entail any additional costs for or investment from FAO side. Any requests and FAO country level contributions for BOS should be approved by OSD.

More general information on the BOS and some examples of developed strategies is available on the [UNDG website](https://undg.org/main/undg_document/un-business-operations-strategy-guidance-note/) and [UNDG toolkit](http://toolkit.undg.org/workstream/5-common-services-and-harmonized-business-practices.html).

If you have any doubts, need clarifications or would like share your experiences in this area, please contact Charlotta Oqvist (charlotta.oqvist@fao.org) and Olga Abramova (olga.abramova@fao.org).