

Progress Report on IPA implementation and Trust Fund budget situation

Introduction

1. This report provides summary information on the progress of each IPA project, together with tentative considerations for sequencing the 2009 project activities.

IPA project progress

2. The dashboard at figure 1¹ below indicates progress with each IPA project. A description of the achievements, issues and risks associated with each project, as provided by the concerned project managers, and any changes in dashboard status since the last report on April 17 appears in Annex 1.

Figure 1 – Overall status of IPA projects

IPA implementation dashboard	Progress	Challenges	Resources	Overall
All projects	●	●	●	●
Project 1 - Governing body reform	●	●	●	●
Project 2 - Oversight (Audit)	●	●	●	●
Project 2 - Oversight (Evaluation)	●	●	●	●
Project 3 - Reform of programming, budgeting and RBM	●	●	●	●
Project 4 - Resource mobilization and management	●	●	●	●
Project 5 - Technical Cooperation Programme	●	●	●	●
Project 6 - Decentralization	●	●	●	●
Project 7 - Headquarters structure	●	●	●	●
Project 8 - Partnerships	●	●	●	●
Project 9 - Reform of administrative & managements systems	●	●	●	●
Project 10 - FAO Manual	●	●	●	●
Project 11 - IPSAS and Oracle (IPSAS)	●	●	●	●
Project 11 - IPSAS and Oracle (Oracle)	●	●	●	●
Project 12 - Enterprise Risk Management	●	●	●	●
Project 13 - Culture Change	●	●	●	●
Project 14 - Human Resources	●	●	●	●

¹ In figure 1 the “Progress” heading refers to the progress being made in each project compared with the planned dates. Green indicates that the project is proceeding well against planned dates, amber indicates some minor foreseen slippage, and red indicates major slippage.

The “Challenges” heading refers to any challenges being faced by each project. These challenges are typically external, rather than within each project. Green indicates no foreseen external challenges, amber indicates some minor projected impact, and red indicates that there is likely to be a major impact on the project as a result of external challenges.

The “Resources” heading refers to any resource issues being faced by each project. Resource issues are typically either financial or human resource related. Green indicates that the project does not foresee any resource issues, amber indicates a minor projected impact, and red indicates a major projected impact on the project as a result of resource issues.

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IPA Trust Fund

3. Annex 2 indicates the Trust Fund status as at 13 May 2009. Management is grateful for the recent pledges from Finland and Vietnam that increases the contributions pledged to approximately USD 6.93 million. The balance of approximately USD 2.13 million available for IPA activities not already earmarked as reported to Finance Committee on 13 May, has now increased to USD 2.66 million (see table 1).

Table 1 – Comparison of Trust Fund pledges with earmarked and committed expenditures

IPA Trust Fund - Summary of Pledges received versus earmarkings and commitments as of 13 May 2009 (USD million)	
Trust Fund contributions pledged	6.93
Earmarked Projects	Previously Budgeted
Project 13. Culture Change	1.8
Project 15. Governing Body Follow-up (CoC-IEE)	1.3
Project 16. Management Follow-up	1.1
Sub-total for earmarked projects	4.2
Committed expenditures	
Project 9. Reform of administration and management systems	0.07
Total earmarked and committed	4.27
Total pledged less earmarked and committed	2.66

IPA sequencing

4. In the progress report of 27 February 2009, management indicated its approach to overall sequencing of IPA projects. This entailed proceeding in accordance with planned dates on all actions with “no additional cost”, giving priority to actions with external costs that are part of “managing for results”, and progressing as funds permit with those actions that have external costs and are not an essential component part of “managing for results”.
5. This represented the first iteration of the IPA implementation plan, and it was indicated that changes would be made to this plan as implementation proceeds.
6. Pending receipt of substantial extra-budgetary funding for implementing the IPA in 2009, Management has hitherto held back on making any major commitments other than in the three earmarked projects of Culture Change, Governing Body Follow-up (CoC-IEE), and Management Follow-up.
7. However, to keep up the momentum of reforms, it is now necessary for Management to proceed with financial commitments on the basis of funds availability, and to best utilize the scarce funds available due to the passage of time.

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8. Within the framework of current IPA pledges in the region of USD 6.93 million, and earmarked projects with total costs in the region of USD 4.27 million, the IPA project leaders have met to determine how to best utilize the remaining USD 2.66 million, and how to sequence further projects, on the basis of increased funding
9. The final Root and Branch review report has now been received, and it was noted that questions remain to be resolved regarding the actual level of costs to be incurred in 2009. This will be the subject of further discussions with Ernst & Young, but this uncertainty poses a problem for sequencing, which will be urgently addressed.
10. A three point plan was agreed to (i) remove Root and Branch Review (RBR) costs from further consideration, until the level of costs has been finalized, (ii) re-examine the overall funding requirement for 2009, including the rationale for small funding requests and (iii) sequence remaining activities requiring funding in 2009 in strict accordance with major impact on “managing for results”.

Creative mechanisms

11. All earmarked projects and IPA projects with external 2009 costs that are part of “managing for results” were examined in greater detail. A first effort was made to closely examine these estimates to determine any possible reductions in the requirements for 2009, preferably without any counterbalancing postponement in action or deferment of expenditures to 2010-11.
12. In this regard the budget assumption of estimating backfilling costs using standard cost rates for staff allocated in a major and substantive manner on IPA activities was reviewed, and recosted on the basis of funding only external costs actually and directly incurred as a result of the substantial allocation of staff to the IPA. This resulted in a reduction in the estimate for Management Follow-up from USD 1.1 million to USD 0.6 million.
13. In the case of the Culture Change team, some costs are also charged to other sources of funds instead of directly to the IPA Trust Fund (i.e. Spanish Trust Fund). This, together with a postponement of some activities to 2010, resulted in reducing the call on the IPA Trust Fund in 2009 from USD 1.8 million to USD 0.9 million.
14. The result of these actions was to increase the funding available to other IPA projects from USD 2.66 million to USD 4.06 million (see table 2)

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Table 2 – Updated comparison of Trust Fund pledges with earmarked and committed expenditures

IPA Trust Fund - Summary of Pledges received versus earmarkings and commitments as of 13 May 2009 (USD million)	
Trust Fund contributions pledged	6.93
Earmarked Projects	Revised Budget
Project 13. Culture Change	0.9
Project 15. Governing Body Follow-up (CoC-IEE)	1.3
Project 16. Management Follow-up	0.6
Sub-total for earmarked projects	2.8
Committed expenditures	
Project 9. Reform of administration and management systems	0.07
Total earmarked and committed	2.87
Total pledged less earmarked and committed	4.06

15. The activities undertaken so far in the preparation of the TCP decentralization are being implemented using regular budget resources allocated to the TCP Service (TCOT) under the TCP. Following deliberations in the Finance Committee, the cost related to TCP activities for capacity building of the decentralized offices such as the design of the ex-post monitoring system, the development of training material and the delivery of the training programme will be covered by resources allocated to TCOT so as to be able to introduce the decentralized approval process of TCP projects by January 2010.
16. In addition to the above, project leaders were requested to reconsider the rationale for low value funding requests. This review is in progress.

Sequence in strict accordance with impact on “managing for results”

17. As a result of the above actions, consideration was given to the remaining major (non Root and Branch review) IPA activities requiring funding in 2009 under the newly sequenced arrangements. These items appear in table 3.

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Table 3 – Sequenced IPA actions with 2009 costs linked to “managing for results”

Project	No.	IPA Results Based Management (RBM) Actions with Costs in 2009	2009 Cost USD Million	Sequence
6. Decentralization			1.20	
	3.88/ 3.90	Deployment of support systems (including training and upgrade of IT information systems) and introduction of benchmarks and performance based reporting and monitoring system for decentralized offices	1.20	2
12. Enterprise risk management			0.50	
	3.50	Issue of external contract for the study	0.50	5
14. Human Resources			4.50	
	3.60	Introduce a package for increasing staff training, including in management	2.60	4
		Element of above training linked to Staff Appraisal and Performance	1.00	1
	3.70	Introduce an objective staff appraisal system linking staff performance to organizational objectives based on realistic performance targets and objective assessment criteria	1.40	1
	3.72	Upgrade the Oracle systems to i) improve ease of data extraction and analysis and ii) to support substantive staff management, rather than purely transaction processing	0.50	3
Total estimated cost			6.20	

18. Project leaders unanimously recommended that fully funding the PEMS (Performance Evaluation Management system) and its associated training represented the highest priority use of 2009 funds. This project activity is directly linked to “managing for results”, is a project well advanced that is able to fully utilize funds in 2009, and represents the most effective use of IPA Trust Funds in 2009.
19. Subject to funding availability, the next sequence is the deployment of support systems and performance based reporting in support of decentralization, followed by funding to upgrade the Oracle systems to improve staff management and provide much-needed decision support tools. The indicated sequencing for issuing an external contract for a first phase of an Enterprise Risk Management study takes account of the decision of the May 2009 Finance Committee to revisit the matter at its July 2009 session, following the completion of an ongoing Enterprise Risk Assessment.
20. Management is aware that the RBR items of the IPA are excluded from this analysis. Following discussions with Ernst & Young, an agreed statement of one-off and recurrent costs and savings will be produced, and the RBR costs for 2009 will be fully integrated into the IPA plan, and considered, recommendation by recommendation, in terms of sequencing with the non-RBR activities to produce a final sequenced 2009 schedule of costed IPA items. This will be reported to the next session of CoC-IEE Working Groups in early June 2009.

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Annex 1 – Project by project description of achievements, issues and risks

Project 1 – Governing body reform

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

Actions 2.47 and 2.51 completed – the Finance Committee, the Programme Committee and the Committee on Constitutional and Legal Matters being open to silent observers.

Issues and risks

No major issues or risks at this time.

Project 2 – Oversight (Audit)

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

No change since last status report

Issues and risks

No change since last status report

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Project 2 – Oversight (Evaluation)

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

Recruitment process for Director of Evaluation now under way and expected to be completed soon. Office of Evaluation expected to be established shortly after Charter approved by Council in June.

Issues and risks

None

Project 3 – Reform of programming, budgeting and results based monitoring

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

During March, the Strategy Teams completed their first full drafts of the Strategic Objective and Functional Objective results frameworks, including sharing of formulations at an innovative “results marketplace”. These were reviewed by Working Group 1 on 16 April, which provided comments on guidance on further improvements, especially for assumptions, risks and indicators; these improvements are ongoing, including through advice from an outside expert on formulation of Indicators.

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Document CL 136/16 Draft elements of the Strategic Framework, Medium Term Plan 2010-13 and PWB 2010-11 was prepared for consideration by the Programme and Finance Committees in May and the Council in June. Meanwhile, formulation of the PWB 2010-11 based on the results frameworks commenced on 24 April for completion by end-June.

A high-level consultant was engaged and provided advice on design and implementation of the operational work planning, monitoring and reporting system to be put in place by 2010.

Issues and risks

At its meeting of 23 March, CoC-IEE Working Group I generally agreed the preparation steps and schedule of review of the Strategic Framework, MTP 2010-13 and PWB 2010-11. The schedule is dependent on timely availability and review of actions beyond Project 3, including on enterprise risk management, headquarters structure, decentralization, concept of reform with growth, and root and branch review recommendations. This dependency poses a risk to the timely completion of the SF/MTP/PWB preparation steps and is being closely monitored.

Project 4 – Resource mobilization and management

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements since last report

3.12 – To supplement assessed contributions, projected extra-budgetary resources will be integrated within the programming and budgeting process. The FPMIS module has released functionality to support the bottom-up mapping of existing projects and pipeline to the new results based strategic framework. This information feeds into the PWB planning process, through a live interface between PIRES and FPMIS. The PIRES module to support the integrated resource planning of the Organizational results for the PWB 2010-2011 has been released. Briefings were provided during the first week of May to HQ departments and Strategy Teams and all Regional Offices (and including most Sub Regional Offices) on the holistic formulation of Unit results and the integrated resource planning.

1.5 – Develop Impact Focus areas. IFA Managers have produced a first draft formulation of the Impact Focus Areas for inclusion in the MTP 2010-2013, including review by the relevant Strategy Teams that have been considered by CoC-IEE Working Group I on 16 April. Taking account of the comments and suggestions made by the Working Group, Management would elaborate and refine the formulation of all Impact Focus Areas for review on the 3rd June.

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Issues and risks

Several deliverables of this project are dependent on the outcome of discussions under Project 6 Decentralization (while discussions under this project also impact project 6); Project 7 Headquarters Structure with regards to the management structure for extra-budgetary resources and Project 8 Partnerships.

Project 5 – Technical Cooperation Programme

Previous status

Progress	Challenges	Resources	Overall
			

Current status

Progress	Challenges	Resources	Overall
			

Main achievements

The paper on TCP project cycle will be considered by the Programme Committee this month. It covers approval guidelines, minimum information requirements for requests, clarification of responsibilities at each step, and timeline.

The assessment of the work load of decentralized and headquarters offices in relation with the new TCP model has been finalized and provides an estimation of the staff and non-staff resources required in the decentralized offices and at HQ. Consultations on the conclusions are now ongoing with IPA Project 6 (on decentralization) and with other stakeholders.

Remaining activities include the drafting of guidelines, the design of the ex-post monitoring system, the development of training material and the delivery of the training programme. In light of the guidance provided by the Finance Committee as indicated in paragraph 15, the project should be on schedule.

Issues and risks

The consultations held during the preparation of the above-mentioned papers, showed that attention will need to be given to the issue of how to maintain the quality of approved TCP projects in the decentralized environment and to the need to ensure the required capacities through the deployment of appropriate resources and the necessary training

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Project 6 – Decentralization

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

The project is generally on schedule. It provided the documentation for the CoC-IEE meetings on 17 April dealing with “*Review of Decentralized Offices Staffing, Location and Coverage*”. Based on CoC-IEE feedback a follow-up paper is currently under preparation for review by the CoC-IEE Working Groups in early June. It is expected that this process will determine to a large extent the orientation of Project 6.

Issues and risks

Three actions require resource from the IPA Trust Fund budget. If funds do not come available their implementation could slip.

3.78 – Transfer of primary reporting line of Regional Technical Officer to the ADG/RR. Planned to be completed by 31 March. Delayed to the end of the year so that the transfer can coincide with the start of the new biennium.

3.87 - Job descriptions, competency profiles, recruitment and performance appraisal procedures Heads of Decentralized Offices (Q2, 2010). Not yet started. To start 1 July 2009 the US\$ 100 000 foreseen for use of consultants would have to be available in May 2009.

3.88 - Benchmarks and performance based reporting and monitoring system for decentralized office. This action item requires preparation of systems, data collection, and agreement on reporting procedures. The work will require specialized skills in the form of consultancy contracts. The cost of this activity was reduced given the progress made with the introduction of RBM in ROs and SROs. It is now estimated that an investment of US\$ 0.5 million would be sufficient to develop the methodology and procedures, necessary software and to train those involved. It is assumed that recurrent costs would be covered by the 2010-11 budget. In order to start the system by Jan 2010 as planned, it is now urgent to invest US\$ 100,000 in the development of the methodology for the system in sync with the roll-out of RBM in decentralized offices. Thus the overall cost estimate was reduced from US\$ 1.1 million to US\$ 0.5 million.

3.90 - Deployment of support systems (including training and upgrade of IT information systems). In order to achieve the planned target dates, the decision to proceed with this item needed to have been taken by the end of March, since the necessary preparation tasks,

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including the recruitment of non-staff resources and lead-time required for the implementation changes after the issuance of order, were expected to take three months. Effort is being made through adjustment of the sequence of tasks in order to minimize the impact of the delay in decision making. However there is risk of delays in completing item 3.90 (Deployment of support systems).

Project 7 – Headquarters structure

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

A paper entitled *Headquarters Organizational Structure – Progress Report* was presented to the CoC-IEE Working Groups I and III on 23 March. The working groups appreciated the work completed to date and asked to receive a progress report at its next joint meeting in June. From 24 April the work on headquarters restructuring is being undertaken as part of preparation of the PWB 2010-11, also taking account of the results frameworks. The next report to the CoC-IEE Working Groups will cover, as requested:

- details on staff distribution across departments and offices, including D-level positions
- size and functions of corporate services
- functions and structure of Natural Resources Management and Environment Department and of various new offices – i.e. the Office of Corporate Communications and External Relations, the Office of Knowledge Exchange, Research, and Extension, and the Office of Support to Decentralization – as well as the Ethics component of the Legal Office;
- division of responsibilities on corporate resource mobilisation between the Office of Strategy, Planning and Technical Cooperation Department
- the responsibilities of Cabinet and its relationship to the offices in the apex;
- assignment and responsibilities with regard to rural development matters, such as land tenure and institutional reform;
- functions, decision making level and reporting lines to FAORs

Issues and risks

The restructuring process is complex, involving management and staff at all levels in an iterative and consultative process. The findings of the Root and Branch Review, received in late April and under analysis during May, will have particular impact on the structure and

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function of the Corporate Services and Finance Department. The functions and staffing of all offices will evolve during preparation of the PWB through early July.

Project 8 – Partnerships

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

Four strategy notes and a document developed jointly between FAO, WFP and IFAD entitled “*Directions for Collaboration among the Rome-Based Agencies*” were endorsed by the Reform Support Group and have been submitted for Senior Management’s approval. The four strategy notes are on the following:

- Partnerships with the United Nations system;
- collaboration between the Rome-based UN agencies;
- partnerships with Civil Society and Non-Governmental Organizations;
- partnerships with the Private Sector
- the joint document entitled “*Directions for Collaboration among the Rome-Based Agencies*” and the four strategy notes will provide a sound basis for furthering progress on the actions identified in the IPA for partnerships.

During the remainder of 2009 it is planned to initiate work on the IPA actions relating to the following :

- Finalization and dissemination of the guiding corporate principles on partnerships;
- stocktaking of partnerships, including those with the UN system and the potential for greater partnership with the private sector and CSOs/NGOs.
- an assessment and launch of new or renewed partnerships;
- preparation of a short-term agenda of initiatives (12 months) that will generate outcomes and outputs and preparation of a medium-term action plan in line with the Medium Term Plan (4 years), including development and implementation of a training programme;
- design and development of a monitoring mechanism to ensure feedback and iterative improvement of partnership collaborations and of the FAO strategy.

The full implementation of these activities as planned in 2009 is being delayed as a result of the non-receipt of adequate funding .

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Issues and risks

There is a risk that non-receipt of the estimated cost required in 2009 of \$ US 400,000 for implementation of the actions on partnerships in the IPA would result in significant delays in:

- "Assessment of partnerships and the launch of new or renewed partnerships in order to support the implementation of the partnership strategies";
- Development of a training module and a training programme (including for the decentralized offices);
- Website on corporate partnerships;
- Monitoring mechanism to ensure feedback and iterative improvement of partnership collaborations.

This may mean that the planned dates for completion of the relevant actions in the partnership matrix of the IPA may need to be revised with a view to their achievement.

Project 9 – Reform of administrative and management systems

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

Work has commenced under Project 9 for those initiatives not requiring major or additional funding from the Trust Fund. These initiatives include 1) the revision of the procurement guidelines in a highly collaborative process with major stakeholders in headquarters and in the decentralized offices. This revision includes, inter alia, a higher delegation of authority for decentralized offices in response to the IPA recommendation to greater empower local procurement, 2) a review of the strategy and process for procuring vehicles with a view to outsource and streamline; and 3) a review of the process for procuring seeds and fertilizers. In addition, the Root and Branch review has been completed and the Organization in providing a management response, is reviewing all recommendations and related costs and savings

Issues and risks

With the delivery of the Root and Branch review there is now a need to move forward with an implementation plan on the recommendations agreed upon as well as the costs and savings.

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Many of the recommendations made call for additional analysis and study before the recommendation can be completed. Project 9 has a fair share of initiatives linked to the Root and Branch review. Therefore a timely and clear decision making process on the way forward is essential to the success of this project. There is also a great challenge in ensuring an appropriate prioritization and sequencing of the actions in order to secure the effective delivery and in finding the necessary funding to do so.

Project 10 – FAO Manual

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

In preparing for the launch of the project, measures have already been taken to identify potential staff members (both from FAO and WFP, since this is planned as a joint project) who could participate in the project team and represent all the stakeholders concerned, including among others the divisions/departments responsible for specific chapters of the Manual, those divisions which will assist with the development of the e-Manual and the 'client/customer' divisions.

Issues and risks

n/a

Project 11 – IPSAS² and Oracle

Previous status

Progress	Challenges	Resources	Overall
			

² The IPSAS Project is managed through an established project structure, including a Project Board, with progress reports regularly submitted to the Finance Committee. Estimated total IPSAS project cost of USD 13.9 million is not part of IPA cost estimates. Estimated IPSAS project cost for 2008-09 of USD 6.3 million is included in Chapter 8 provisions, while funding proposals for the remaining costs are to be developed as part of the PWB 2010-11.

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Current status

Progress	Challenges	Resources	Overall
			

Main achievements

5.38 - Upgrade Oracle for staff Management and IT infrastructure in Decentralized offices. No major activities were undertaken since the last report.

5.40 - Design of the Management Information System. The procurement process for the Business Intelligence (BI) platform has successfully completed. The installation and technical setup of the BI platform and subsequent training of FAO personnel on the use of this software is expected to take place in May-June 2009.

Work has begun on a concept paper for the establishment of an MIS framework. The paper is expected to be completed and distributed to the key stakeholders by the end of May 2009. Project formalization will follow.

Issues and risks

5.38 - Upgrade Oracle for staff Management and IT infrastructure in Decentralized offices.

It is expected that more detailed requirements on the ramifications of the IPA and RBR Stage 2 recommendations to the Oracle ERP will be identified by late 2009 allowing for a better cost estimation.

5.40 - Design of the Management Information System.

There is a need for the key business stakeholders to approve the way forward for the MIS framework and fully participate in the requirements gathering phase. The timeline of these actions will define the development of the MIS solutions. Due to the number of parallel activities in progress in the Organization, there is a risk of delays in completing these actions.

Action 5.40 includes activities to be funded by the IPA Trust Fund. Continuous lack of the IPA funding has resulted in planning only part of the overall activities to be undertaken in 2009. Depending on the time of the availability of the IPA funding, the remaining activities could be added to 2009 plan or deferred to 2010.

Project 12 - Enterprise Risk Management (ERM)

Previous Status

Progress	Challenges	Resources	Overall
			

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Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

The Immediate Plan of Action (IPA) calls for the Terms of Reference for a comprehensive enterprise risk management study of the Organization be prepared and submitted to the Finance Committee for review and agreement. The Terms of Reference for the Enterprise Risk Management Study (Phase I) have been completed and were submitted to the Finance Committee Secretariat on 30 March 2009, and the item will be included on the agenda of the 126th session of the Finance Committee (11-15 May 2009).

Issues and risks

Full implementation of Project 12 will require an estimated USD\$2.50 million, and thus its successful implementation will be largely dependent on available funding in 2009 and 2010/2011.

Successful implementation of an ERM also demands ownership and leadership. Establishing strong, accountable leadership is critical to the success of the ERM programme to ensure that sufficient influence and visibility is given to the function and to help break down internal obstacles to integration.

Implementation of the project will also face other challenges which include:

- A limited internal capability
- Inadequate infrastructure, including tools and technology support, giving rise to multiple processes and inefficiencies
- Insufficient resources dedicated to training, education and awareness activities to aid in the adoption and sustainability of new processes.

Project 13 – Culture Change

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

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Main achievements

The Culture Change Team has finalized the Vision Statement, which has been discussed with the Reform Support Group, and has been distributed to JAC/FAR for discussion in May. The team is also planning to meet with the SMT for discussion of the vision itself, as well as the methods to incorporate it into FAO practices. Field outreach has increased through visits to Regional Offices, including: RNE/FAOR Egypt; Near East Strategy and Planning Workshop for FAORS and Representation technical staff; RAF/SFW/FAOR Ghana and visits to the Regional Offices of Budapest and Santiago are under consideration. A toolkit for use by FAORs is under preparation by the CCT to introduce culture change in the decentralized offices and create mechanisms for local initiatives. The team has prepared its proposals on Career Development and Advancement, Recognition and Reward, and Inclusive Work Environment and are now in the process of reviewing with JAC/FAR and AFH. The team plans for an upcoming Open House with stakeholders, to include: SMT, JAC/FAR, RSG.

Issues and risks

The field colleagues of the Culture Change Team have identified an increasing gap between the progress made at HQ in terms of culture change and what is still to be done in field offices. A majority of staff members in decentralized offices are still unaware of the CCT initiative, despite intensive outreach, including emails to FAORs. Overall, the amount and pace of reform results in heavy demands on staff, sometimes resulting in less attention to the topics associated with culture change. There is an inherent risk of raising expectations and balancing the decisions/actions that follow. This is an aspect the team is working to manage as it moves into the next phase of its work.

Project 14 – Human Resources

Previous Status

Progress	Challenges	Resources	Overall
			

Current Status

Progress	Challenges	Resources	Overall
			

Main achievements

A number of actions have already been initiated under this project, in particular the new Performance Evaluation Management system (PEMS), HR Management Information Reporting Project (MIR), Management/Leadership Training (MLP), new HR policies and

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streamlining. Preliminary policies have been formulated on the Junior Professional and Mobility Programmes and these drafts are currently following the consultative process. The Internship policy has been endorsed by senior management and will be implemented in May 2009. A paper on the Use of Non-staff Human Resources and Retirees was presented to the Finance Committee in May 2009 and guidelines on the selection criteria and hiring of non-staff are being developed. The project initiation document on for the MIR project has been developed jointly with KCT and a project team and board have been established to oversee the implementation of this project. PEMS is in its second pilot phase and is proceeding according to plan. In this respect, work has started on the development of a new Oracle module to be able to accommodate PEMS in the corporate system once it goes live in January 2010. The project on the revision of the Manual and the establishment of a Compliance Unit is proceeding as scheduled (see Project 10 above) and three activities are on-going as part of stage 2 of the Root and Branch Review (namely defining a new role for the HR function, streamlining and the review of the accountability framework).

Issues and risks

The project has a number of initiatives and activities envisaged for implementation in support of the 25 IPA activities falling within the framework of the Human Resources project. The challenges consist of essentially ensuring an appropriate prioritization and sequencing of the actions in order to secure the effective delivery on all the actions outlined in the plan and thus the ultimate objective of enhancing the HR function within the Organization. While measures have been taken to develop policy proposals and the requisite preparatory frameworks for the various initiatives and actions related to the target IPA activities, their effective and timely delivery is subject to the availability of adequate resources as indicated in the IPA plan. As the dates for implementation approach, these funds become critical for the delivery of the planned actions and the overall success of this project. In this regard, because of sequencing and lack of funding, the main initiatives described above (i.e. PEMS, MIR, MLP, streamlining and new policy formulation) are ongoing for now, while some of the smaller initiatives have been put on hold.

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Annex 2 – Trust Fund status as at 13 May 2009

Contributions (US\$) to IPA Trust Fund			
as at 13 May 2009			
Country	Type of Pledge	Amount pledged	Amount received
Austria	MOU signed 12/12/08	65,933	65,933
Australia	MOU signed on 7/04/09	100,000	
Brazil	C 35 statement	100,000	100,000
Belgium	MOU signed 26/03/09	250,000	250,000
Cameroon	NV received 06/04/09	21,739	
Cyprus	Contribution	9,186	9,186
Estonia	MOU signed 31/12/08	4,000	4,000
EC	Let/ODG/9/01/09	1,200,000	
Finland	C 35 statement	530,400	
France	Let/ADG-AFD/17/02/09	900,000	400,000
Gabon	C 35 statement		
Germany	MOU signed 5/12/08	906,736	906,736
Greece	C 35 statement	86,338	86,338
Italy	NV received 11/02/09	1,000,000	1,000,000
Ireland	Let/ODG/29/12/08	142,638	142,638
Japan	C 35 statement		
Mauritius	C 35 statement		
Mozambique	N V received 22/01/09	1,765	
New Zealand	MOU signed 16/02/09	70,000	70,000
Slovakia	Contribution	44,000	44,000
South Africa	C 35 statement		
Spain	C 35 statement Pledge reconfirmed	600,000	
Switzerland	2 MOUs signed 28/01/09	301,434	301,434
United Rep.of Tanzania	MOU signed 25/03/09	19,975	19,975
United Kingdom	Est pledge/draft MOU	570,000	
Vietnam	NV received 08/05/09	5,000	
Transfer IEE Trust Fund		591	591
TOTAL	26 PLEDGES	6,929,735	3,400,831