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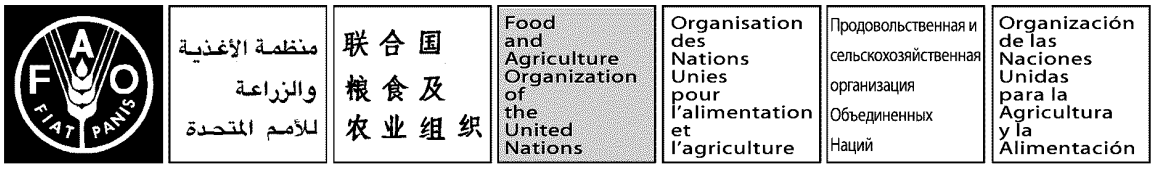

FINANCE COMMITTEE

Hundred and Thirty-seventh Session

Rome, 10 – 11 February 2011

Updated preliminary estimates for the Immediate Plan of Action programme

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EXECUTIVE SUMMARY

- The total estimated 2012-13 IPA programme costs are USD 39.50 million. This comprises investment costs of USD 16.61 million and net recurrent costs of USD 22.89 million (comprising recurrent costs of USD 31.18 million and savings of USD 8.29 million).

- As requested by the Finance Committee at its 135th Session in October 2010, this report provides more detail on the development of this cost estimate and on the substantive programme of work envisaged for the IPA in 2012-13.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

The Committee is requested to take note of the estimated 2012-13 IPA programme estimates of USD 39.50 million to be included in the Programme of Work and Budget (PWB) 2012-13 and provide any guidance thereon.

Draft Advice

- **The Committee took note of the proposed 2012-13 IPA programme costs.**

INTRODUCTION

1. In this report Management provides more detail on the estimate of the budgetary requirements for the Immediate Plan of Action (IPA) in 2012-13 provided to the Finance Committee at its 135th Session in October 2010, and to the October 2010 meeting of the Conference Committee on the Followup to the Independent External Evaluation of FAO (CoC-IEE).

2. The report is divided into two sections. The first section describes the development of the 2012-13 estimates and the financial impact. The second section describes the substantive IPA programme for 2012-13 in terms of the main IPA activites.

Section 1 - Development of the 2012-13 IPA programme

3. Management has adopted a four-point policy for the prioritization and budgeting of IPA projects and activities for the biennium 2012-13. These include: a) review of delivering capacity; b) sustainability of IPA projects; c) better integration of IPA activities with the regular Programme of Work; and d) avoidance of IPA resources for administrative positions.

4. The IPA budgetary requirements for 2012-13 are divided into two areas: (i) recurrent costs and savings that are a result of IPA actions undertaken in 2010 and 2011; and (ii) investment costs and recurrent costs and savings that are required for actions to be initiated in 2012-13.

Recurrent costs and savings arising as a result of IPA actions undertaken in 2010 and 2011

5. Conference Resolution 3/2009 approved USD 39.6 million to fund the implementation of the IPA in 2010-11 under the budgetary appropriations, comprising an estimated amount of USD 21.4 million for investment costs, USD 23.5 million recurrent costs, and USD 5.3 million in recurrent savings (row 1 of Table 1).

6. During 2010 Project Leaders reassessed their one-time and recurrent costs based on actual expenditure and project needs. The impact of this reassessment was a USD 0.8 million increase in investment costs and an equal reduction in recurrent costs, with no changes to savings, resulting in the same overall total budget of USD 39.6 million (row 2 of Table 1).

Table 1 – IPA costs and savings summary

IPA costs and savings summary (in USD millions)					
	Investment	Recurrent			Total
	Costs	Costs	Savings	Net	
1. 2010-11 Approved PWB	21.40	23.50	-5.30	18.20	39.60
2. 2010-11 Revised costs	22.20	22.70	-5.30	17.40	39.60
3. 2012-13 Recurrent costs and savings		27.94	-6.98	20.96	20.96
4. Actions initiated in 2012-13	16.61	3.24	-1.31	1.93	18.54
5. Total cost 2012-13	16.61	31.18	-8.29	22.89	39.50

7. The financial effect of the IPA programme initiated in 2010-11 on the 2012-13 programme is shown in row 3 of Table 1. It comprises three elements:

- due to their one-time nature, the investment costs of USD 22.20 million required in 2010-11 do not carry forward into 2012-13;

- the 2010-11 recurrent costs (USD 22.70 million) increase to USD 27.94 million in 2012-13. This is because these costs were incurred from some point during the 2010-11 biennium, without necessarily applying for a full 24 months, whereas these costs will be incurred for a full 24 months in 2012-13[1]; and
- the 2010-11 recurrent savings (USD 5.30 million) increase to USD 6.98 million in 2012-13. As for recurrent costs, this is because these savings were achieved during the 2010-11 biennium, and do not necessarily apply for a full 24 months, whereas these savings will apply for 24 months in 2012-13.

8. The 2012-13 net recurrent costs (i.e. recurrent costs less recurrent savings) total USD 20.96 million, and these constitute the first element of the 2012-13 IPA programme.

Investment costs and recurrent costs and savings for actions to be initiated in 2012-13

9. In estimating the new IPA programme requirements for 2012-13, Management first considered the estimated costs of IPA projects that were delayed, extended or reduced in scope in 2009 to reduce the estimated cost of the 2010-11 IPA programme by USD 21.2 million from USD 59.8 million proposal in the draft Programme of Work and Budget (PWB) (July 2009) to USD 38.6 million before cost increases as approved in the PWB 2010-11 (C2009/15 paragraph 115). Whilst Management did not reinstate the reductions in scope which were made in 2009 (see Annex 1), the extensions and delayed starts did impact on the 2012-13 programme.

10. The second area considered in developing the 2012-13 programme were the costs and savings associated with actions started or to be taken in accordance with the recommendations of the Root and Branch review conducted by Ernst and Young in 2009.

11. Taking into account the scope reductions, delayed starts and extensions, and the 2012-13 Root and Branch review costs and savings, a 2012-13 IPA programme was developed for new actions to be initiated in 2012-13. This programme has investment costs of USD 16.61 million, recurrent costs of USD 3.24 million, and recurrent savings of USD 1.31 million. The total net budget requirement under this category is USD 18.54 million as shown in row 4 of Table 1.

12. Combining the recurrent costs and savings that are a result of IPA actions undertaken in 2010-11 (row 3 of Table 1) with the investment costs and recurrent costs and savings that are required for actions to be initiated in 2012-13 (row 4 of Table 1) provides a total IPA programme estimate of USD 39.50 million, and this is indicated in row 5 of Table 1.

13. The estimated costs for the 2012-13 IPA programme by thematic area appear at Table 2, and a full description by individual IPA Action providing a breakdown between "2012-13 Recurrent costs and savings" and "Actions initiated in 2012-13" appears at Annex 2.

[1] For example, monthly expenditure of USD 100 incurred on an IPA action that took effect from July 2010 would incur a total cost in 2010-11 of USD 1,800 over a period of 18 months. However, the financial impact of such action in 2012-13 would be for the entire biennium of 24 months and would amount to USD 2,400 without any change in the nature or scope of the activity.

Table2 – 2012-13 IPA Programme Costs by thematic area

2012-13 IPA costs and savings (in USD millions)					
	Investment	Recurrent			Total
Thematic area	**Costs**	**Costs**	**Savings**	**Net**	
1. Results Based Mgt	1.40	2.14	0.00	2.14	3.54
2. Human Resources	1.90	14.50	-1.12	13.38	15.28
3. Culture Change	2.30	0.00	0.00	0.00	2.30
4. Decentralization and Partnerships (Functioning as One)	1.14	1.72	0.00	1.72	2.86
5. Efficient Administration	6.49	7.18	-7.17	0.01	6.50
6. Governance reform	0.20	5.64	0.00	5.64	5.84
Management support	3.18	0.00	0.00	0.00	3.18
Total	**16.61**	**31.18**	**-8.29**	**22.89**	**39.50**

Section 2 - Main IPA activites comprising the 2012-13 programme

14. This section describes the substantive programme for each thematic area of the IPA.

Results Based Management

15. The Results Based Management thematic area comprises three projects: Reform of programming, budgeting and results-based management; Resource mobilization and management; and Enterprise Risk Management. The breakdown of 2012-13 estimated costs across projects is detailed at Table 3.

Table 3 – 2012-13 estimated IPA costs for Results Based Management (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Results Based Management	**1.40**	**2.14**		**2.14**	**3.54**
Project 3a- Reform of programming, budgeting and results based	1.40				1.40
Project 4- Resource mobilization and management		1.34		1.34	1.34
Project 12- Enterprise Risk Management		0.80		0.80	0.80

16. The main thrust of activities in the Results Based Management (RBM) thematic area in 2012-13 will be the on-going implementation of the new planning model, continued work on Resource mobilization and management guided by the Strategic Framework, and the full integration of Enterprise Risk Management in the RBM framework of the Organization.

17. In 2012-13 the requirements definition and gap analysis activities will take place for the transfer of functions related to financial forecasting and expenditure performance to the Finance Division. The aim is to bring the planning and monitoring system fully into line with RBM, taking into account relevant International Public Sector Accounting Standards (IPSAS) requirements as they pertain to budgetary monitoring and reporting.

18. Recurrent costs from 2010-11 will be incurred in 2012-13 in the area of Resource mobilization to support the ongoing integration of extra budgetary resources with assessed contributions, and to continue capacity building and in-house communication of the Resource mobilization strategy. Recurrent costs from 2010-11 will also be incurred in 2012-13 to implement Enterprise Risk Management integrated into the RBM framework of operations.

Human Resources

19. Due to the high number of IPA actions within this project a more detailed breakdown of 2012-13 estimated costs appears at Table 4.

Table 4 – 2012-13 estimated IPA costs for Human Resources (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Human Resources	**1.90**	**14.50**	**-1.12**	**13.38**	**15.28**
Project 14 – Human Resources	1.90	14.50	-1.12	13.38	15.28
Action 3.59 – Implement an effective policy for geographicial and gender representation particularly regarding developing countries		0.28		0.28	0.28
Action 3.60 – Introduce a package for increasing staff training, including management		1.60		1.60	1.60
Action 3.61 – Incentive based staff rotation policy		2.80		2.80	2.80
Action 3.62 – Junior Professionals Programme		5.30		5.30	5.30
Action 3.64 – Wider publication of FAO vacancies		0.40		0.40	0.40
Action 3.66 – Competency framework	1.90				1.90
Action 3.70 – Introduce objective staff appraisal system		1.40		1.40	1.40
Action 7.27 – Define a new role for HR		2.72	-1.12	1.60	1.60

20. In light of the high priority and urgency of action recognized for Human Resources (HR) renewal, the majority of costs in this thematic area arise from initiatives that have already commenced in 2010. Accordingly, most of the costs in the Human Resources thematic area consist of recurrent costs relating to the continued implementation of HR initiatives already started in 2010-11. However, additional recurrent costs would be incurred in 2012-13 under the Junior Professional Programme while investment costs will be required to complete the developmement of the Corporate Competency Framework.

21. With regard to the Junior Professionals Programme, Management will further pursue and expand on the start made in 2010 and 2011 on the programme with its initial cohort of 18 Junior Professionals rising to 25 new recruits in 2013. As for the Competency Framework, the development and introduction of such a framework is complex but represents an essential component of the overall HR startegy. The planned deliverable in 2012-13 is a comprehensive Corporate Competency Framework which establishes core and functional competencies, mapping of the framework to FAO job families, further develoment of competencies, and integration of competencies in the Oracle Human Resources Management System (HRMS). This will require an investment of USD 1.9 million in 2012-13.

22. Other HR activities in 2012-13 will be focused on the enhancement of the Organization's Human Resources capabilities and the alignment of these capabilities to the corporate strategy. Accordingly, the main activities in the next biennium will also cover the areas of management training, staff appraisal, full implementation of the new staff rotation policy, further improvements in recruitment, measures to ensure greater equity in geographic and gender representation, as well as delivering new HR functions such as career development, strategy, HR communications and staffing.

23. The significant progress in management training will continue in 2012-13 and recurrent costs will be incurred for the ongoing Management Leadership Programme and Advanced Management Leadership Programme training contract. Following on from the successes achieved in 2009 and 2010 with the Performance Evaluation Management System (PEMS) performance appraisal initiative, ongoing PEMS training and support will be provided in 2012-13 as this activity becomes fully mainstreamed.

24. In order to support continued efforts to reach gender and geographic representation targets, recurrent costs will be incurred for continuation of outreach programmes to attract staff and consultants from women's institutes and from non and under-represented developing countries. Management is pleased with the results of increased outreach of vacancies in 2010 and will continue the use of press advertisements to attract better quality applicants to vacant positions in 2012-13.

25. The 2012-13 biennium should see the achievement of the level of functional and geographical mobility of staff between HQ and field offices that was envisaged in the IPA, as an integral part of the HR management framework.

Culture change

26. The breakdown of 2012-13 estimated costs for Culture change is detailed at Table 5.

Table 5 – 2012-13 estimated IPA costs for Culture Change (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Culture Change	**2.30**				**2.30**
Project 13 – Culture Change	2.30				2.30

27. The main thrust of activities in the Culture Change thematic area in 2012-13 will centre on implementation of the Corporate Strategy on Culture Change within which provision will be made for improved support to Change Teams in Decentralized Offices, learning Organization initiatives, leadership engagement in Culture Change, and development of indicators to measure culture shift. There are three main deliverables planned in 2012-13. The first is a strengthened capacity of local culture change teams to support culture change in FAO. The second is the introduction of measures to strengthen the awareness and capacity of FAO leaders and staff to mainstream measures consistent with the FAO internal vision throughout the Organization. The third deliverable is the availability and use of tools to implement, monitor and communicate culture change in FAO, and also to measure culture shift. Particular emphasis will be placed on mainstreaming the monitoring of FAO culture into the regular monitoring systems of the Organization.

Decentralization and Partnerships (Functioning as One)

28. The Functioning as One thematic area comprises two projects – Decentralization and Partnerships. The breakdown of 2012-13 estimated costs across these projects is detailed at Table 6.

Table 6 – 2012-13 estimated IPA costs for Functioning as One (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Decentralization and Partnerships (Functioning as One)	**1.14**	**1.72**		**1.72**	**2.86**
Project 6- Decentralization	0.74				0.74
Project 8- Partnerships	0.40	1.72		1.72	2.12

29. The main thrust of activities in this area in 2012-13 will contribute to the implementation of the strategies resulting from the dialogue among the Membership on the "Vision on Structure and Functioning of FAO's Decentralized Offices Network" currently being produced for review by Governing Bodies.

30. It is anticipated that in 2012-13 a benchmarking system will be introduced as a mechanism to measure the performance of FAO country offices. To achieve this will require investment costs to fund the development of a system for use by both Headquarters and Decentralized Offices, to commission a survey firm to carry out the required surveys, and to fund consultants to support implementation.

31. In terms of Partnerships, recurrent costs will be expended on staff to support implementation of the Organization-wide Strategy on Partnerships, including the dissemination of Guiding Principles on corporate partnerships; implementation of strategies on collaboration within the UN system and with the Rome-based agencies; and the rollout of the private sector and civil society strategies as the work moves on to Regular Programme resources. In terms of operational initiatives, funding will be utilized in collaboration with the other Rome-based agencies in support of the International Alliance Against Hunger and to develop the work on Farmers Organizations.

Efficient Administration

32. The Efficient Administration thematic area comprises two projects – Reform of Administrative and Management Systems, and Information Technology. Due to the high number of IPA actions within these projects a more detailed breakdown of 2012-13 estimated costs across these projects appears at Table 7.

Table 7 – 2012-13 estimated IPA costs for Efficient Administration (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Efficient Administration	**6.49**	**7.18**	**-7.17**	**0.01**	**6.50**
Project 9- Reform of Administrative and Management Systems	2.33	1.58	-6.03	-4.45	-2.12
Action 7.6 – New procurement model	0.33	1.40	-0.03	1.37	1.70
Action 7.7 – Develop the registered vendors management					
Action 7.8 –Empowerment of local and regional officers in managing	0.90		-0.01	-0.01	0.89
Action 7.9 – Transfer of activities to SSC			-0.27	-0.27	*-0.27*
Action 7.14 – RBA partnerships for procurement with other UN agencies	0.10		-1.76	-1.76	-1.66
Action 7.15 – Joint procurement initiative - Travel			-0.90	-0.90	-0.90
Action 7.16 – Define plan for registry	1.00		-2.46	-2.46	-1.46
Action 7.17 – New printing and distribution unit and changes to		0.18	-0.60	-0.42	-0.42
Project 11b- Information Technology	4.16	5.60	-1.14	4.46	8.62
Action 3.90 – Upgrade of ICT infrastructure		5.00		5.00	5.00
Action 7.0 – Strengthen IT governance		0.36	-0.76	-0.40	-0.40
Action 7.11 – Reduce multi functional printers			-0.38	-0.38	-0.38
Action 7.13 – Induction training program for decentralized IT staff		0.24		0.24	0.24
Action 7.25 – Enhance Oracle ERP	3.16				3.16
Action 7.26 – Design of Management Information System	1.00				1.00

33. The main thrust of activities in Reform of Administrative and Management Systems in 2012-13 will be geared towards full implementation of the recommendations of the Root and Branch review, yielding a net saving to the Organization across the biennium in excess of USD 2 million. These recommendations are divided into four main areas: procurement, registry, travel and printing and translation services.

34. In developing and implementing a new procurement model which calls for making procurement more strategic (and less task oriented), and increasing the delegation and capacity of the field to deal with procurement locally, recurrent costs will be incurred to fund international procurement officers outposted in high volume/high risk countries. On the other hand investment costs are required to develop framework agreements for more effective procurement, develop strategy papers and guidelines and to support local vendor management for local procurement actions. Investment costs are also required for on-site training to support capacity development in procurement in field offices and to support the development of guidelines and systems for implementing a higher delegation of authority for Letters of Agreement.

35. In the new model for a more strategic procurement service, the transfer of transactional activites to the Shared Services Centre will deliver recurrent costs savings, as will the activities of the Rome-based agencies Common Procurement Team. This latter activity will require investment funding to review the one year pilot for the Common Procurement Team, develop a follow-on strategy, and further harmonize contractual documents amongst the Rome-based agencies.

36. The review of travel, the review of registry, and new printing and distribution facility will generate savings in 2012-13, as recommended by the Root and Branch review. In addition to savings, the review of registries is improving records management services, while strengthening control of corporate information, through modernization of recordkeeping polices, processes, technology and support arrangements.

37. Activities in the Information Technology area will require significant funding as they are geared towards delivery of a number of major projects including improvements to the decentralized telecommunications facilities and upgrading the Oracle system in synergy with the IPSAS project.

38. The project to upgrade the ICT infrastructure to Decentralized Offices has been in progress throughout 2010, with the main achievements being a first wave of bandwidth upgrades, and the

deployment of high definition videoconferencing solutions in Regional and Sub-Regional Offices. The IPA risk assessment identified this project as the one with the most dependencies and the success of the decentralization initiative as a whole is dependent on the deliverables of this IPA action.

39. During 2012-13 the corporate bandwidth to Decentralized Offices will be further expanded to permit efficient access to an increased suite of bandwidth-demanding corporate applications. Demand for corporate bandwidth continues to grow, and this trend is expected to accelerate by the rollout of new online applications with a global user base such as the new Field Accounting System which is being developed as part of the IPSAS project. In addition, 2012-13 will see increased Internet bandwidth made available to permit efficient access to public information, as well as FAO corporate applications that can be accessed via the Internet. Investments will be made to increase capacity to permit use of the latest generation of knowledge sharing and collaboration applications, including public tools such as Skype and FAO corporate tools which can be accessed via the Internet such as Webcasting and Videoconferencing.

40. The enhancement of the Oracle Enterprise Resource Planning (ERP) software to the latest version (Release 12), originally envisaged as a technology upgrade, will now be delivered as part of a synergistic update of the ERP system in conjunction with IPSAS (IPSAS will continue to be funded via the Capital Expenditure Fund in 2012-13), as reported to the Finance Committee at its 135th Session in October 2010. The new system will provide additional features based on an upgraded technology platform that are required to support Organizational business processes and be IPSAS compliant.

41. Building on the migration and consolidation of existing data sources and reporting tools during 2010-11, the Management Information Systems activity will cover two aspects - data management and business intelligence. The data management component will develop a "single version of information" through the definition of processes and technologies that will result in a high quality data repository. The business intelligence component will build the tools to use this data in order to achieve the desired business benefits and provide high quality and consistent management information, also building the foundations for future full incorproration of MIS in support of the strategic framework.

42. Other Information Technology activities include the full integration of revised Information Technology Governance procedures. Whilst the new procedures will be introduced in 2011, development of the associated cost, benefit realization and prioritization processes is scheduled for 2012.

Governance reform

43. The Governance reform thematic area comprises two projects – Governing Body reform and Oversight. The breakdown of 2012-13 estimated costs across these projects is detailed at Table 8.

Table 8 – 2012-13 estimated IPA costs for Governance reform (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Governance Reform	**0.20**	**5.64**		**5.64**	**5.84**
Project 1- Governing Body Reform	0.20	2.32		2.32	2.52
Project 2- Oversight		3.32		3.32	3.32

44. The majority of costs in support of Governing Body reform relate to the increased recurrent translation, interpretation and other support costs arising from the Governing Body changes agreed and introduced in 2010-11. Additional costs in 2012-13 are of a similar nature but also include costs involved in evaluating the Governing Body reforms, including expert advice, and translation and interpretation costs in support of the consultation process.

45. The majority of costs in the Oversight area also relate to the increased recurrent costs arising from the changes agreed and introduced in 2010-11. The IPA target for Evaluation was to increase

the Evaluation budget to 0.8% of the Regular Programme Budget over two biennia. One third of this increased target was achieved in 2010-11. It is proposed to not increase the Evaluation budget further in 2012-13, but to delay further increases until future biennia. The full impact of the ongoing increase in the Evaluation budget, on both Management's responsibility to effectively respond to and act on independent evaluations, and on the Governing Bodies' responsibility for oversight, still has to take effect and needs to be better appreciated. The focus of Management's efforts in 2012-13 will be towards ensuring qualitative improvements in its response to evaluations. At the same time, it would be useful for the Governing Bodies to assess their capacity to review the increasing number of evaluations and the follow-up reports on evaluations.

Other Management Support

46. Although not a thematic area, Other Management Support comprises two projects – IPA Programme Management and IPA communications. The breakdown of 2012-13 estimated costs across these projects is detailed at Table 9.

Table 9 – 2012-13 estimated IPA costs for Programme Management and Communications (USD millions)

IPA Programme Thematic Area and Projects	Investment Costs	Recurrent Costs	Recurrent Savings	Net Recurrent	Total
Management support	**3.18**				**3.18**
Project 16 – IPA Programme Management	2.35				2.35
Project 17 – IPA Communications	0.83				0.83

47. An internal programme management mechanism, established in October 2010, is functioning effectively, with the IPA Programme Management Board (IPB) meeting regularly on a weekly basis to ensure overall supervision of IPA implementation . Support is provided by the Programme Management Unit (PMU) which assists the IPB with internal IPA governance. This unit works with project leaders to plan the IPA programme, manage the IPA programme budget on behalf of the IPB, ensure project risks are managed, and monitor IPA project expenditures, overall IPA progress and achievements and benefits against project milestones and targets. The costs are one-time costs as the Programme Management Unit is scheduled to disband upon completion of the IPA programme.

48. In IPA communications, 2012-13 will see the continued delivery of communication materials and services, in accordance with the communication plan for FAO Renewal and Reform. In the area of staff communications, activites will be aimed at helping employees at all levels to comprehend the changes taking place around them, view renewal measures in a positive light, and adopt new attitudes, behaviours and practices in line with specific renewal projects. In the area of Member communications activities will be geared towards greater engagement and feedback, and helping Member Governments comprehend the change programme, follow its progress, and see clear results.

Annex 1

SCOPE REDUCTIONS MADE IN 2009 IN PREPARING THE 2010-11 IPA PROGRAMME AND NOT REINTRODUCED FOR 2012-13

- Governing body reform - IPA action 2.22 - The Council Report will consist of conclusions, decisions and recommendations (verbatim records to provide detail and be published in all languages) – *action not reinstated*

- Enterprise Risk Management – (action 3.54) - Full Implementation of Enterprise Risk Management Structure and systems - new Enterprise Risk Management (ERM) approach – *due to the revised approach, new funding not required for 2012-13*

- Human Resources - (action 3.61) - Establish an incentive based rotation policy in HQ and between HQ and the decentralized offices with clear criteria – *number of staff to be rotated not increased from 2010-11 level (earlier proposal sought a more substantial increase in staff rotations)*

- Human Resources – (action 3.68) - Rationalize the use of FAO retirees who will not be rehired for at least six months after their retirement from FAO – *action implemented but funding absorbed within divisional budgets*

- Human Resources – (action 3.73) - Establish a staff redeployment fund initially funded from extra-budgetary resources and subsequently funded from a proportion of staff costs - *no additional IPA funding sought for staff redeployments*

Annex 2

BREAKDOWN OF 2012-13 ESTIMATED COSTS BY IPA ACTION

IPA Programme/Thematic Areas Projects and Actions	Recurrent Costs/Savings arising from 2010/11			2012/13 (new)				
	Recurrent costs	Recurrent savings	Total	Investment Costs	Recurrent Costs	Recurrent Savings	Total	Grand Total
Total IPA Programme	**27.94**	**-6.98**	**20.96**	**16.61**	**3.24**	**-1.31**	**18.54**	**39.50**
Results Based Management	**2.14**		**2.14**	**1.40**			**1.40**	**3.54**
Project 3a- Reform of programming, budgeting and results based management				1.40			1.40	1.40
Action 7.2 – Design new planning and budgeting model				1.40			1.40	1.40
Project 4- Resource mobilization and management	1.34		1.34					1.34
Action 3.12 – Integration of Assessed Contributions in programming and budgeting process	0.32		0.32					0.32
Action 3.14 –Management structure for centralized coordination and decentralized implementation of resource mobilization	1.02		1.02					1.02
Project 12- Enterprise Risk Management	0.80		0.80					0.80
Action 3.54– Full implementation of ERM	0.80		0.80					0.80
Human Resources	**13.02**	**-1.12**	**11.90**	**1.90**	**1.48**		**3.38**	**15.28**
Project 14 – Human Resources	13.02	-1.12	11.90	1.90	1.48		3.38	15.28
Action 3.59 – Implement an effective policy for geographicial and gender representation particularly regarding developing countries	0.28		0.28					0.28
Action 3.60 – Introduce a package for increasing staff training, including management	1.60		1.60					1.60
Action 3.61 – Incentive based staff rotation policy	2.80		2.80					2.80
Action 3.62 – Junior Professionals Programme	3.82		3.82		1.48		1.48	5.30
Action 3.64 – Wider publication of FAO vacancies	0.40		0.40					0.40
Action 3.66 – Competency framework				1.90			1.90	1.90
Action 3.70 – Introduce objective staff appraisal system	1.40		1.40					1.40
Action 7.27 – Define a new role for HR	2.72	-1.12	1.60					1.60
Culture Change				**2.30**			**2.30**	**2.30**
Project 13 – Culture Change				2.30			2.30	2.30
Action 3.32 – Implement vision				2.30			2.30	2.30
Decentralization and Partnerships (Functioning as One)	**1.32**		**1.32**	**1.14**	**0.40**		**1.54**	**2.86**
Project 6- Decentralization				0.74			0.74	0.74
Action 3.82 – Revise all delegated authorities								
Action 3.88 – Introduce benchmarks and perfomance-based reporting and monitoring system for decentralized offices				0.74			0.74	0.74
Project 8- Partnerships	1.32		1.32	0.40	0.40		0.80	2.12
Action 3.109 – Stocktaking of partnerships with the private sector and civil society	0.80		0.80	0.40	0.40		0.80	1.60
Action 3.110 – Short term agenda of initiatives to generate outcomes and outputs and preparation of medium-term action plan	0.48		0.48					0.48
Action 3.117 – Establishment of monitoring mechanism to ensure feedback of partnership collaborations	*0.04*		*0.04*					*0.04*

Annex 2 – continued

IPA Programme/Thematic Areas Projects and Actions	Recurrent Costs/Savings arising from 2010/11			2012/13 (new)				
	Recurrent costs	Recurrent savings	Total	Investment Costs	Recurrent Costs	Recurrent Savings	Total	Grand Total
Efficient Administration	**6.92**	**-5.86**	**1.06**	**6.49**	**0.26**	**-1.31**	**5.44**	**6.50**
Project 9- Reform of Administrative and Management Systems	1.58	-4.72	-3.14	2.33		-1.31	1.02	-2.12
Action 7.6 – New procurement model	1.40		1.40	0.33		-0.03	0.30	1.70
Action 7.7 – Develop the registered vendors management								
Action 7.8 –Empowerment of local and regional officers in managing local procurement				0.90		-0.01	0.89	0.89
Action 7.9 – Transfer of activities to SSC		*-0.26*	*-0.26*			*-0.01*	-0.01	*-0.27*
Action 7.14 – RBA partnerships for procurement with other UN agencies		-1.76	-1.76	0.10			0.10	-1.66
Action 7.15 – Joint procurement initiative - Travel		-0.90	-0.90					-0.90
Action 7.16 – Define plan for registry		-1.20	-1.20	1.00		-1.26	-0.26	-1.46
Action 7.17 – New printing and distribution unit and changes to procedure	0.18	-0.60	-0.42					-0.42
Project 11b- Information Technology	5.34	-1.14	4.20	4.16	0.26		4.42	8.62
Action 3.90 – Upgrade of ICT infrastructure	5.00		5.00					5.00
Action 7.0 – Strengthen IT governance	0.10	-0.76	-0.66		0.26		0.26	-0.40
Action 7.11 – Reduce multi functional printers		-0.38	-0.38					-0.38
Action 7.13 – Induction training program for decentralized IT staff	0.24		0.24					0.24
Action 7.25 – Enhance Oracle ERP				3.16			3.16	3.16
Action 7.26 – Design of Management Information System				1.00			1.00	1.00
Governance Reform	**4.54**		**4.54**	**0.20**	**1.10**		**1.30**	**5.84**
Project 1- Governing Body Reform	1.42		1.42	0.20	0.90		1.10	2.52
Action 2.19 – Council sessions	0.40		0.40		0.10		0.10	0.50
Action 2.20 – Additional short sessions or informal meetings	0.40		0.40					0.40
Action 2.32 – Continuous improvement of FAO Governance					0.50		0.50	0.50
Action 2.47 – Sessions open to non-speaking observers	0.12		0.12					0.12
Action 2.52 – Changed status of Regional Conferences	0.40		0.40					0.40
Action 2.57 – Technical Committee inter-sessional work					0.30		0.30	0.30
Action 2.66 – Conference or Council may call Ministerial Meetings	0.10		0.10					0.10
Action 2.74 – Conference assess workings of governance reforms including Regional Conferences				0.20			0.20	0.20
Project 2- Oversight	3.12		3.12		0.20		0.20	3.32
Action 2.78 – Evaluation budget increase	1.10		1.10					1.10
Action 2.91 – Extend work of Inspector-General	0.30		0.30					0.30
Action 3.33 – Appointment and functioning of the Ethics Office	0.86		0.86		0.10		0.10	0.96
Action 3.36a – Appointment of Ombudsman	0.86		0.86		0.10		0.10	0.96
Management support				**3.18**			**3.18**	**3.18**
Project 16 – IPA Programme Management				2.35			2.35	2.35
Action 4.9 – IPA Programme and Project support				2.35			2.35	2.35
Project 17 – IPA Communications				0.83			0.83	0.83
Action 4.9a - IPA employee communications				0.72			0.72	0.72
Action 4.9b - IPA member communications				0.11			0.11	0.11