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Enabling poor rural people
to overcome poverty

High-level preview of IFAD's 2013 results-based programme of work and regular administrative and capital budgets, and the preview of the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2013 and indicative plan for 2014-2015

Addendum

Executive Board — 106th Session
Rome, 20-21 September 2012

For: **Review**

High-level preview of IFAD's 2013 results-based programme of work and regular administrative and capital budgets, and the preview of the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2013 and indicative plan for 2014-2015

Addendum

IFAD - Additional Information Requested

1. The Executive Board is invited to take note of the attached additional information requested in connection with the "High-level preview of IFAD's 2013 results-based programme of work and regular administrative and capital budgets, and the preview of the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2013 and indicative plan for 2014-2015" (EB 2012/106/R.2).
2. The additional information set out in this attachment has been prepared in order to respond to specific requests raised by the Audit Committee during its review of IFAD's high-level preview administrative budget documentation on 17 September 2012.
3. Tables 1-3 attached contain additional departmental cost analyses showing 2011 actuals by cluster and 2012 estimates by cluster and budget category.

Table 1: 2011 Administrative Budget - Comparison of Budget vs Actuals (by cluster and department)

Department	Cluster 1			Cluster 2			Cluster 3			Cluster 4			Total			
	2011 Budget	2011 Actual	Increase (decrease)	2011 Budget	2011 Actual	Increase (decrease)	2011 Budget	2011 Actual	Increase (decrease)	2011 Budget	2011 Actual	Increase (decrease)	2011 Budget	2011 Actual	Increase (decrease)	% Increase (decrease)
Office of the President and the Vice-President	0.84	0.56	-0.28	0.93	0.98	0.05	1.04	0.91	-0.13	0.56	0.76	0.2	3.37	3.21	-0.16	-4.7%
Corporate Services Support Group	3.27	3.12	-0.15	4.19	3.41	-0.78	1.74	2.29	0.55	8.67	6.9	-1.77	17.87	15.72	-2.15	-12.0%
Partnership and Resource Mobilization Office	0.18	0.12	-0.06	2.09	1.19	-0.9	0.01	0.26	0.25	0.57	0.44	-0.13	2.85	2.01	-0.84	-29.5%
Strategy and Knowledge Management Dept	0.51	0	-0.51	2.18	2.65	0.47	0.35	0.42	0.07	0.38	0	-0.38	3.42	3.07	-0.35	-10.2%
Programme Management Department	79.17	73.83	-5.34	0	1.22	1.22	0	0.28	0.28	0	0.13	0.13	79.17	75.46	-3.71	-4.7%
Financial Operations Department	2.37	2.75	0.38	0	0.01	0.01	5.99	5.03	-0.96	0.17	0.1	-0.07	8.53	7.89	-0.64	-7.5%
Corporate Services Department	0.02	0.56	0.54	0.48	0.26	-0.22	22.61	22.73	0.12	0.17	0.11	-0.06	23.28	23.66	0.38	1.6%
Corporate cost centre	-	-	-	-	-	-	-	-	-	-	-	-	2.1	4.09	1.99	94.8%
Total	86.36	80.94	-5.42	9.87	9.72	-0.15	31.74	31.92	0.18	10.52	8.44	-2.08	140.59	135.11	-5.48	-3.9%
Cluster % (Budget vs Actual)	61.4%	59.9%		7.0%	7.2%		22.6%	23.6%		7.5%	6.2%		1.5%	3.0%		
Explanatory Notes on significant departmental movements:																
1. The Corporate cost centre actual costs include LGS R&D costs which according to IFRS standards could not be capitalized.																
2. The only department which exceeded the original budget was CSD, reflecting additional support requirements for country presence and the rising costs of IT.																

Table 2: 2012 Administrative Budget - Comparison of Budget vs Forecast (by cluster and department)

Department	Cluster 1			Cluster 2			Cluster 3			Cluster 4			Total			
	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	Increase (decrease)
Office of the President and the Vice-Preside	0.5	0.56	0.06	1.03	0.99	-0.04	0.96	0.86	-0.1	0.88	0.77	-0.11	3.37	3.18	-0.19	-5.6%
Corporate Services Support Group	3.66	2.84	-0.82	4.23	3.67	-0.56	1.98	2.31	0.33	8.27	7.06	-1.21	18.14	15.88	-2.26	-12.5%
Partnership and Resource Mobilization Office	0.17	0.15	-0.02	1.8	1.62	-0.18	0.36	0.28	-0.08	0.66	0.52	-0.14	2.99	2.57	-0.42	-14.0%
Strategy and Knowledge Management Dept	0	0	0	3.16	2.63	-0.53	0.86	0.45	-0.41	0	0	0	4.02	3.08	-0.94	-23.4%
Programme Management Department	80.62	77.49	-3.13	0.03	1.38	1.35	0.05	0.33	0.28	0	0.04	0.04	80.7	79.24	-1.46	-1.8%
Financial Operations Department	3.13	3.38	0.25	0	0	0	5.23	6.11	0.88	0.11	0.13	0.02	8.47	9.62	1.15	13.6%
Corporate Services Department	0.93	0.62	-0.31	0.2	0.25	0.05	23.06	23.65	0.59	0.16	0.1	-0.06	24.35	24.62	0.27	1.1%
Corporate cost centre			0	0	0	0	0	0	0	0	0	0	2.1	2.31	0.21	10.0%
Total	89.01	85.04	-3.97	10.45	10.54	0.09	32.5	33.99	1.49	10.08	8.62	-1.46	144.14	140.5	-3.64	-2.5%
Cluster % (Budget vs Forecast)	61.8%	60.5%		7.2%	7.5%		22.5%	24.2%		7.0%	6.1%		1.5%	1.6%		
Explanatory Notes on significant departmental movements:																
1. The increase in FOD reflects the fact that the loan administration financial management functions were transferred out of PMD into FOD.																
2. The CSD department forecast reflects the rising cost of IT support that has continued in 2012.																

3

Table 3: 2012 Administrative Budget - Comparison of Budget vs Forecast (by major cost category and department)

Department	Staff			Consultants			Duty Travel			Facilities & Administration			Other			Total		
	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)	2012 Budget	2012 Forecast	Increase (decrease)
Office of the President and the Vice-President	2.68	2.44	-0.24	0.20	0.31	0.11	0.00	0.26	0.26	0.49	0.10	-0.39	0.00	0.07	0.07	3.37	3.18	-0.19
Corporate Services Support Group	15.53	12.65	-2.88	0.47	0.81	0.34	0.55	0.42	-0.13	0.50	0.67	0.17	1.09	1.33	0.24	18.14	15.88	-2.26
Partnership and Resource Mobilization Office	2.10	1.87	-0.23	0.13	0.17	0.04	0.22	0.28	0.06	0.48	0.20	-0.28	0.06	0.05	-0.01	2.99	2.57	-0.42
Strategy and Knowledge Management Dept	3.03	2.49	-0.54	0.47	0.20	-0.27	0.35	0.30	-0.05	0.17	0.07	-0.10	0.00	0.02	0.02	4.02	3.08	-0.94
Programme Management Department	46.33	40.13	-6.20	21.52	22.96	1.44	7.52	7.64	0.12	2.21	4.39	2.18	3.12	4.12	1.00	80.70	79.24	-1.46
Financial Operations Department	7.88	8.90	1.02	0.15	0.34	0.19	0.17	0.08	-0.09	0.00	0.13	0.13	0.27	0.17	-0.10	8.47	9.62	1.15
Corporate Services Department	13.99	13.88	-0.11	0.34	0.64	0.30	0.13	0.23	0.10	5.85	5.69	-0.16	4.04	4.18	0.14	24.35	24.62	0.27
Corporate cost centre			0.00	0.24	0.00	-0.24	0.00	0.00	0.00	1.19	1.20	0.01	0.67	1.11	0.44	2.10	2.31	0.21
Total	91.54	82.36	-9.18	23.52	25.43	1.91	8.94	9.21	0.27	10.89	12.45	1.56	9.25	11.05	1.80	144.14	140.5	-3.64
% of total (Budget vs Forecast)	63.5%	58.6%		16.3%	18.1%		6.2%	6.6%		7.6%	8.9%		6.4%	7.9%		100.0%	100.0%	

Explanatory Notes on significant departmental movements:

1. The increase in FOD reflects the fact that the loan administration financial management functions were transferred out of PMD into FOD at the start of 2012.
2. The total costs of PMD is less than budgeted due primarily to the transfer of resources to FOD noted above.
3. The CSD department forecast reflects the rising cost of IT maintenance that has continued in 2012.
4. In relation to PMD, the lower staff costs due to vacancies are offset by increased consulting costs, higher "Facilities & Administration" costs due to increased country presence personnel and activities, as well as by increased "Other Costs" due to recruitment.