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Investing in rural people

## Increasing Transparency for Greater Accountability – Action Plan

Executive Board — 122<sup>nd</sup> Session  
Rome, 11-12 December 2017

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For: Approval

## Note to Executive Board representatives

This document is submitted for review by the Executive Board.

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## Recommendation for approval

The Executive Board is invited to consider the document Increasing Transparency for Greater Accountability – Action Plan and to approve the specific proposals as contained in paragraph 19 of this document.

## Increasing Transparency for Greater Accountability – Action Plan

### I. Introduction

1. IFAD is placing increasing weight, organization-wide, on transparency. Transparency is a key guiding principle in IFAD's efforts to do development differently. It enhances governance efficiency; informs better decision-making; promotes public ownership; increases development effectiveness; and, above all, leads to better development results.
2. Transparency is a central component of IFAD's overall strategy to build a culture of results in its governance, management and operations. As indicated in the paper Enhancing IFAD11 business model to deliver impact at scale, presented at the second session of the Eleventh Replenishment of IFAD's Resources (IFAD11), ensuring the availability and accessibility of the right information at the right time is among the most transformational of all the elements of a results culture. Transparency is a commanding incentive for better data quality, more efficient use of resources, more careful monitoring, and better policy compliance and benchmarking.<sup>1</sup>
3. A robust body of evidence, including a recent World Bank policy research report,<sup>2</sup> shows that the quality and quantity of economic data released by governments are significantly correlated with the effectiveness of their policies. In this sense, transparency can be a catalyst for better policy dialogue that bridges the potential gap in understanding between governments, implementing units and rural people. A World Bank policy paper on the conceptual and empirical contributions of transparency found that "the broader the dissemination [of information] the better the allocation of resources will meet the needs of the majority of the population".<sup>3</sup> Transparency clearly contributes to creating social trust, a more conducive environment for projects and policy processes and, thus, to better development results.
4. Transparency is also vital to building the trust needed to develop stronger partnerships. With so many stakeholders involved in the 2030 Agenda for Sustainable Development (2030 Agenda) and the importance of strong partnerships in that agenda, transparent and accessible information is more critical than ever. It enables development agencies, governments and donors to identify gaps and overlaps in development work, achieve greater coherence, and avoid fragmentation and competition. It also helps those agencies, governments and donors to evaluate the projects they support and learn from each other's experiences.
5. Just as transparency is key for a country's financial management, so it is central to IFAD's efforts to strengthen its financial framework. In particular, it is expected that transparency will significantly contribute to the implementation of the platform for

<sup>1</sup> Enhancing IFAD11 business model to deliver impact at scale (IFAD11/2/R.3).

<sup>2</sup> World Bank, *Making Politics Work for Development: Harnessing Transparency and Citizen Engagement*, (World Bank: 2016).

<sup>3</sup> Ana Bellver and Daniel Kaufmann, *Transparenting Transparency: Initial Empirics and Policy Applications*, (Washington, D.C.: World Bank, 2005); <https://goo.gl/1PofND>.

capital market borrowing. Countries with more transparent policy environments tend to perform better in international financial markets;<sup>4</sup> similarly a more transparent IFAD is expected to enhance the trust and confidence of donor countries and investors.<sup>5</sup>

6. As IFAD devolves responsibility to the frontlines and re-engineers its country-based model, it is imperative that stakeholders in each country – including IFAD beneficiaries – have access to reliable, comprehensive and structured information. Clear and easily accessible mechanisms are needed to guarantee that stakeholders can obtain the information that they need.
7. Transparency is also central to empowering rural people: when citizens can easily obtain the public information that affects their well-being, they are better equipped to hold their leaders accountable and to participate in the decisions that affect their lives. Promoting economic and social empowerment is at the heart of IFAD's work. In its Strategic Framework 2016-2025, IFAD recognizes that one of its main strengths:

Lies in building the capacity, productivity and market participation of rural people using an approach that encourages governments and other actors to facilitate the economic and social empowerment of poor rural people, particularly marginalized rural groups such as women and indigenous peoples.<sup>6</sup>

Therefore, promoting transparency in IFAD's operations is a central part of the work towards its development objectives.

8. As a consequence, IFAD will supplement the data on the achievement of operational objectives that it shares through various institutional documents<sup>7</sup> by making information on IFAD operations at the different stages of the country strategy (i.e. country strategic opportunities programmes [COSOPs]) and project cycle (i.e. design, implementation, supervision and evaluation) publicly available. This will help to change accountability relations among stakeholders, for instance, by providing rural smallholders with the information they need to hold decision makers to account for the use of IFAD resources (as recognized in the business model paper). These efforts will also encourage country governments and other partners to publish financial data and results from their own programmes.
9. A fully transparent organization is therefore a requirement for IFAD to enhance its legitimacy and value for money because it encourages economical, efficient and effective use of resources and provision of services, and promotes equity in the allocation and use of resources in IFAD operations. In other words, transparency drives behaviour and increases responsibility in the management of resources. When an organization makes public how funds are used, it creates an incentive to ensure more efficient use of those resources and achieve greater cost-effectiveness and efficiency. This improves its performance data and increases operational effectiveness. A policy paper published by the World Bank highlights that "transparency is important not only because it increases the efficiency in the allocation of resources, but also because it may help in ensuring that the benefits of growth are redistributed and not captured by the elite."<sup>8</sup>
10. With these principles in mind and to provide the basis for expanding transparency, Management presented a paper on Increasing Transparency for Greater Accountability to the Audit Committee at its 145<sup>th</sup> meeting and the Executive Board

<sup>4</sup> The Organisation for Economic Co-operation and Development (OECD) Secretariat, *Foreign Direct Investment for Development- Maximising Benefits, Minimising Costs* (OECD: 2002).

<sup>5</sup> Bill Witherell, *The Roles of Market Discipline and Transparency in Corporate Governance Policy*, (OECD: 2003).

<sup>6</sup> IFAD Strategic Framework 2016-2025: Enabling inclusive and sustainable rural transformation.

<sup>7</sup> IFAD's results are currently shared through the Results Measurement Framework (RMF) agreed with Member States, the development effectiveness framework, the Report on IFAD's Development Effectiveness (RIDE), the Annual Report on Results and Impact of IFAD Operations (ARRI), Independent Office of Evaluation of IFAD (IOE) evaluations, progress reports on the strategic and medium-term plan and a report to the Audit Committee on project audit reports.

<sup>8</sup> See footnote 3.

at its 121<sup>st</sup> session in September 2017. The paper included an overview of IFAD's current policies in this area and identified actions to increase transparency in its activities and ensure that the right information is provided at the right time to IFAD's stakeholders. The proposed actions covered (i) operations; (ii) management of financial resources; (iii) human resources and internal oversight; and (iv) information to governing bodies.

11. Both the Audit Committee and the Executive Board generally supported Management's proposals. They made specific suggestions on how to develop them further and provided input for the content of the revised paper to be submitted to the Audit Committee in November, and to the Executive Board for approval in December 2017.
12. Management took on board these suggestions and developed the proposed actions based on further analysis of potential benefits and risks, staff and financial resource needs, legal implications, comparators' practices, and privacy and confidentiality requirements.
13. This paper complements the document presented in September. The resulting proposals can be found in the Transparency Action Plan (see annex) along with the associated implementation schedule and the steps and approvals required.
14. Management will consider the suggested Executive Board paper on emerging modes of communication and local language versions of documents for greater accessibility to beneficiaries and local partners separately, as it continues work on improving IFAD's transparency practices. The scope and practical implications of such actions will need to be clarified.
15. Responding to the members' request for easier access to information, and in consultation with the List Convenors, the President's opening and closing remarks at Board sessions will be made publicly available under the Executive Board collection. For this purpose, starting in December 2017, information notes containing the remarks will be prepared and posted in IFAD's four official languages, following the necessary internal processes. As a consequence, the current practice of preparing the decisions and deliberations paper, which is posted for information, will be discontinued.
16. IFAD recognizes that increasing transparency is not a one-time effort but a continuous process. This action plan is therefore part of a broader corporate-wide process directed at helping IFAD become a fully transparent organization that does development differently in order to maximize its development results. To this end, efforts will continue to embed transparency within IFAD's governance, management and operations as a guiding principle of IFAD's daily work. Management will provide the Executive Board with annual updates on the progress of implementation of this action plan.

## II. Summary and Executive Board decisions

17. In line with its commitment to improving the availability, relevance, accessibility and timeliness of information to IFAD's stakeholders, Management will implement the Transparency Action Plan in line with the time frame identified, once the prerequisite steps have been completed.
18. The Executive Board is invited to consider the Transparency Action Plan and to take note of the following with respect to public disclosure.
  - The public disclosure of external auditor's reports for IFAD projects will be considered under the item Conceptual Framework on Financial Reporting and Auditing of IFAD-Financed Projects which is also presented to the 122<sup>nd</sup> session of the Board for approval.

- The IFAD Policy on the Disclosure of Documents (EB 2010/100/R.3/Rev.1) will be amended if necessary to reflect any further actions required to meet IFAD's transparency expectations.
19. In addition, the Executive Board is invited to approve the following actions concerning disclosure of documents:
- Submission to the Executive Board at its April session for information on a confidential basis, the Annual Report on the Activities of the Office of Audit and Oversight (AUO), which summarizes the audit and investigation findings from the preceding calendar year.
  - Access to internal audit reports, in coordination with the Audit Committee, on the request of the Executive Board.
20. The decisions in paragraph 19 will be reflected in a revised version of the AUO Charter, to be presented to the 123<sup>rd</sup> session of the Executive Board in April 2018 for confirmation.

## Transparency Action Plan

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	<p><b>Operations</b></p> <p>The achievement of operational objectives is measured and publicly reported through the RMF agreed with Member States, the development effectiveness framework, the RIDE, the ARRI, IOE evaluations, progress reports on the strategic and medium-term plan and a report to the Audit Committee on project audit reports. Furthermore, detailed information on project cycle activities (design, implementation, supervision and evaluation of individual projects and programmes) is made available to the public and to governing bodies. Information on investigation and corruption prevention activities, including case-specific summaries, is posted annually on the public website.</p>					
1	<p><b>Automate the current data upload to the International Aid Transparency Initiative (IATI) registry and subsequently add data on disbursement transactions and projects, with links to project documents (Operational Programming and Effectiveness Unit [OPE]).</b></p>	<p>No risk implications or major technological challenges are involved. There are more risks associated with not automating due to the complexity of the reporting IFAD publishes; therefore automation will mitigate the risk of losing data integrity.</p>	<p>Phase I of automation has just concluded. Phase II will call for expansion of the criteria to be automated by the IT system.</p>	<p>The practice of automation has already been applied by other organizations such as the World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO). The Italian Agency for Development Cooperation has just initiated the same process.</p>	<p>Phase I is concluded. Phase II will be developed within 2017. A phase III, under which results could be incorporated, will be explored; for this Operational Results Management System (ORMS) needs to be fully developed and operational.</p>	No
2	<p><b>Encourage governments and implementing partners to publish to IATI financial and results data related to the IFAD-supported programmes (OPE):</b></p> <p>Explain how IFAD is promoting similar standards with implementing partners.</p> <p>Explain how IFAD can do more in programming, in particular how transparency can improve development outcomes, for example, in the Initiative for Open Agriculture Funding (Open Ag) led by InterAction, where information about agricultural investments is</p>	<p>Risk of overlapping with other ongoing initiatives, global and local. Careful mapping will be needed.</p>	<p>IFAD will increase the focus on publishing data in COSOPs and in project design.</p> <p>IFAD will include key performance indicators and goals related to data publishing in COSOPs.</p> <p>IFAD will launch a grant to pilot social accountability tools to build government capacity in the area of data</p>	<p>World Bank country strategies include specific outcome-level indicators for increased transparency.</p> <p>World Bank has a strategy on citizen engagement and beneficiary feedback, and corporate targets for numbers of projects with this</p>	<p>These actions will gradually be implemented during the IFAD11 period.</p>	No



	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	made accessible.		standards in agriculture.	mechanism.		
3	<b>Disclose the geographic location of IFAD operations through easily accessible maps on the IFAD website (OPE).</b>	Potential delays in uploading geographic locations to a central database due to learning curve/adoption of the new system by geographic information system (GIS) focal points are envisaged. These will be mitigated through comprehensive hands-on training, with a transition towards uploading data created with the current software.	System changes involve the development of a geoportal and GIS infrastructure based on open source technology. This may entail process changes in other areas of GIS management, but no major change in the process of data creation or disclosure is expected beyond use of new tools and workflows.	Similar initiatives have been carried out by a number of other international financial institutions (IFIs) to identify project locations and create an online platform that enables citizens, governments and donors to view the locations of their investments, and improve the targeting coordination and evaluation of aid.	Location data available for all past and ongoing projects will be disclosed.  The development of the online platform (led by OPE and the Information and Communications Technology Division [ICT]) will start in 2018. This action will be implemented during 2018.	No
4	<b>Provide additional information on the performance-based allocation system (PBAS), including on actual country commitments in the programme of loans and grants to the Executive Board (OPE).</b>	No additional risk is involved.	A comprehensive PBAS manual will be produced and made publicly available.  Through the annual programme of work and budget document, Management will provide additional information on countries entering or exiting the PBAS cycle as well as reallocations within the cycle.  Management will continue working to automate the calculation process and facilitate simulations.	Following the example of the African Development Bank, the allocation simulator will be made available as a tool for policy dialogue through the scenario-builder option.	Enhanced reporting started during IFAD10.  The development of the automated system (led by OPE & ICT and supported by the Communications Division [COM]) will start in 2018.	No
5	<b>Public (web) disclosure of project completion reports (PCRs) by (OPE).</b>	Disclosure of PCRs could entail a reputational risk as they are not meant for public disclosure at the time of preparation.	In the short run for all ongoing projects, a disclaimer will be added to the PCR template stating that	PCRs are publicly available on the websites of all other	Implementation will start in 2018.	No

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
		<p>Disclosure of PCRs requires consent of the document owners, who are the recipients of IFAD financing.</p> <p>To mitigate these risks IFAD will seek approval for the public disclosure of PCRs from recipients of IFAD financing in line with the procedures set out in the Disclosure Policy.</p>	<p>the PCR will be disclosed unless there is written dissent from the government at the time of submission within six months of project completion.</p> <p>In the medium term, actions will be undertaken, including the revision of necessary policies as required , to ensure that all PCRs for operations designed during IFAD11 will be disclosed.</p>	IFIs.		
6	<b>Develop a corporate dashboard with the latest available data on performance and results of IFAD-supported operations fully accessible through the IFAD website (OPE).</b>	<p>There are no significant risks as most of this information is already available in publicly disclosed documents.</p>	<p>No change in disclosure policies will be needed. A review will be undertaken of the system updates and licences required to enable automation and maintenance.</p>	Other institutions fully disclose project-level targets and results.	<p>Action will be taken for some reporting requirements in 2018. Specific requirements will need to be identified for full implementation.</p>	No
7	<b>Elaborate a strategy for beneficiary feedback: where and when it should be used in programming; how to ensure an effective feedback loop that allows projects to learn and adapt; and how it can be used to help verify results and provide further oversight of how funds are spent (OPE).</b>	<p>High cost of system and risk of non-performance.</p> <p>Mitigation measures will be to ensure good planning, observe international best practices, and make use of feedback loops, and transparent and reliable data.</p>	<p>Develop a citizen engagement strategy covering the country programme and project cycle: <b>Board approval of the strategy to be sought during the IFAD11 period.</b></p> <p>Pilot social accountability mechanisms, particularly third party monitoring, in selected countries</p> <p>Set up a comprehensive stakeholder survey system building on the current client</p>	<p>The World Bank has a strategic framework for citizen engagement.</p> <p>Multilateral development banks (MDBs) have similar systems in place. IFAD will build its system based on their best practices</p> <p>The Inter-American Development Bank uses a system</p>	<p>This action will be implemented during the IFAD11 period.</p>	Yes

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
			<p>survey and ensure its accreditation.</p> <p>Allow analysis and publication of results while preserving confidentiality of responses.</p>	<p>composed of 10 individual surveys.</p> <p>All other MDBs have well-established client survey systems which are used as a strategic tool for self-assessment.</p>		
8	<b>Additional reporting to the Audit Committee and, where relevant, to the Executive Board on financial management mechanisms, developments, disclosures and results in operations (Financial Management Services Division [FMD]).</b>	The broadened reporting scope has no risk implications. No mitigating actions are required.	No policy, process or system changes are foreseen.	The World Bank has no systematic reporting of this kind and none is apparent in the other IFIs.	The first annual report to be issued in accordance with the broadened scope is being presented to the 146 <sup>th</sup> meeting of the Audit Committee.	No
9	<b>Public disclosure of income classification and financing terms of borrowers (FMD).</b>	No significant risks are foreseen as IFAD will adhere to underlying procedures in establishing the financing terms.	<p>No policy or process changes will be necessary.</p> <p>System changes: Establishment of new reports. Developments to IFAD's website to accommodate current and historical data for income and financing terms of countries, with regular update capacities and agility of data access.</p>	Many IFIs publish country-specific and historical data on financing terms.	Public disclosure of financing terms and classification of borrowers to be published on IFAD's website from IFAD11 onwards.	No
10	<b>Issue a series of information notes on IFAD products and terms, including single currency lending (FMD).</b>	No risks associated with issuance of the information notes are expected. This is already common practice among other IFIs.	<p>No policy or process changes will be necessary.</p> <p>The website will need to be enhanced, as indicated above.</p>	Many IFIs publish such product notes.	Information/product notes to be published on IFAD's website from IFAD11 onwards.	No
11	<b>Public (web) disclosure of external</b>	The risk implications have been assessed as minimal, particularly as this is already	The new Conceptual Framework on Financial	This practice is followed by many	The new framework is being presented to the	Yes

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	<b>auditor's project reports (FMD).</b>	<p>common practice among other IFIs.</p> <p>IFAD will seek to mitigate associated risks by including appropriate legal provisions in all financing agreements signed/negotiated after 1 January 2018 (subject to the Board's approval) and revisions to IFAD's Guidelines on Project Audits and stipulation of such in the audit terms of reference.</p>	<p>Reporting and Auditing of IFAD-Financed Projects will include provisions for the disclosure of the external auditor's project reports. The framework is an outcome of the revision undertaken of IFAD's Guidelines on Project Audits. The Disclosure Policy should be clarified, through amended text to expressly include disclosure of these documents.</p> <p>System changes: To allow disclosure of these reports on the IFAD website, a new workflow will need to be developed from the Audit Report Tracking System.</p>	IFIs, including the World Bank, Asian Development Bank and Inter-American Development Bank, and is a noted best practice.	Audit Committee at its 146 <sup>th</sup> meeting for review, and to the 122 <sup>nd</sup> session of the Executive Board (December 2017) for approval. Subject to the Board's approval, the disclosure of the external auditor's project reports will be effective from 1 January 2018 and will be implemented progressively until 31 December 2018, after which the disclosure will become mandatory.	
<p><b>Management of financial and human resources</b></p> <p>Financial performance is reported through financial, investment and budgetary reports to the governing bodies, most of which are publicly accessible through the public website. Information on some aspects of human resources management is provided through the budgetary process and periodic reporting on organizational and administrative matters. Under the IFAD Disclosure Policy restrictions on the disclosure of financial and management information apply to confidential matters, security and safety arrangements for IFAD and its staff; internal deliberative processes, procurement information and personal data.</p>						
12	<b>Provide information on corporate risks and risk management practices to the Audit Committee and Executive Board (Office of the President and Vice-President [OPV]).</b>	Additional staff time or resources may be needed, depending on the reporting modality involved.	No policy, process or system changes are involved.	An assessment of comparative practices by United Nations agencies and other IFIs will be carried out to inform Management's report to the Audit Committee and the Executive Board on the matter.	Management will propose options for regular updates to the Committee and the Executive Board on corporate risks and risk management practices at the 146 <sup>th</sup> meeting of the Committee.	No
13	<b>Publicly disclose additional information on</b>	A potential risk is that the data published	Minimal process changes	Leading IFIs have a	With certain reporting	No

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	<p><b>important financial trends (Accounting and Controller's Division [ACD]).</b></p> <p>IFAD's financial performance, position and cash flows are reported, with detailed explanatory notes in the annual audited financial statements. These are made publicly available after approval. More than 100 donor, statutory and other reports* (including disbursement and repayments data) are included in the IFAD annual report, which is publicly available. Analysis of corporate-level trends could be further enhanced, and a specific page on finance could be created on IFAD's website for stakeholders.</p> <p>IFAD will enhance reporting of corporate-level trends on its website and to the governing bodies (primarily the Audit Committee). An analysis of the specific additional data to be reported is under way.</p> <p>*Reports on status of replenishment contributions and drawdowns; arrears and principal interest and service charges; the investment portfolio; principal and interest forgone with regard to the Debt Sustainability Framework; resources available for commitment; and the review of the Sovereign Borrowing Framework.</p>	<p>will not be validated or current. Data provided will be based on annual audited financial information where possible to ensure consistency and reliability of information. Information validated semi-annually or quarterly should be used. Further mitigation will be through quality assurance of data.</p>	<p>and some system reports will be required. Policy changes are not required.</p>	<p>specific location for finance data on their websites and periodically provide enhanced financial information (e.g. disbursements, repayments, approvals).</p>	<p>enhancements, this data can be made readily available on a specially created separate finance web page. Design could begin in the first quarter of 2018 and completed by the third quarter of 2018.</p>	
14	<p><b>Elements of corporate procurement and travel guidelines (including daily subsistence allowance [DSA] information) (Administrative Services Division [ADM]).</b></p> <p>IFAD will make relevant sections of the Corporate Procurement and Travel Guidelines available on its website, in addition to the information already available on the United Nations Global Marketplace. Management will also disclose DSA rates on the restricted Member States platform.</p>	<p>The International Civil Service Commission (ICSC) was consulted on the possibility of disclosing DSA rates on the restricted Member States platform. They agreed to such disclosure, provided IFAD strictly controls access to this information and ensures that Member States are informed that their user ID and passwords may not be shared with unauthorized persons.</p> <p>Disclosure of IFAD's procurement guidelines will be considered once the grievance mechanisms for unsuccessful</p>	<p>The additional information on corporate procurement can be published on the IFAD website.</p> <p>No policy or process changes are involved.</p>	<p>In general, apart from the United Nations Secretariat itself, United Nations funds and programmes and specialized agencies do not disclose their travel policies and guidelines. Neither do IFIs. However, some elements are disclosed to</p>	<p>ADM and COM will work together to disclose the additional information on corporate procurement procedures by 31 January 2018 on the IFAD website.</p> <p>Disclosure of DSA information can proceed, as authorized by the ICSC.</p>	No

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		bidders have been strengthened as these may currently lack the necessary legal safeguards.		governing bodies or to the public through budgetary or other publicly disclosed reports.  The United Nations Secretariat and some IFIs disclose corporate procurement policies as well as project procurement policies.		
15	<p><b>Public disclosure of elements of important human resources guidance that are of potential public interest (Human Resources Division [HRD]).</b></p> <p>HRD is the custodian of a great deal of sensitive, confidential information, which limits its capacity to disclose or publicly release data. The IFAD Human Resources Policy (EB 2004/82/R.28/Rev.1) is already disclosed publicly on the IFAD website as it is an Executive Board document. HR rules and procedures have not been disclosed publicly and are sent individually to newly recruited staff members. A summary of the IFAD Staff Code of Conduct will be provided under the Transparency Action Plan.</p>	There are no risk implications related to the broadened reporting scope. No mitigating actions are required.	No policy, process or system changes are involved.	Most United Nations and IFIs disclose their code of conduct publicly.	A summary of the IFAD Staff Code of Conduct will be posted on the IFAD website by first quarter of 2018.	No
16	<p><b>Public disclosure of whistle-blower procedures (Ethics Office [ETH]).</b> The IFAD whistle-blower procedures will be posted on the IFAD website, together with information on confidential channels for submission of complaints.</p> <p>The procedures aim to prevent retaliation by introducing a robust mechanism to handle the</p>	A potential risk is malicious reporting, i.e. reporting without evidence or reasonable suspicion with the intention of harming another person's integrity or reputation, or by providing information that is intentionally false or misleading. Such behaviour in itself constitutes misconduct and may result in disciplinary or other action. This risk will be mitigated by thoroughly assessing the	No policy, process or system changes are involved.	Most United Nations and IFIs disclose their whistle-blower policies publicly.	The IFAD whistle-blower procedures will be posted on the IFAD website by November 2017.	No

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	reporting of suspected unsatisfactory conduct or misconduct.	credibility of a complaint before any action is taken.				
<p><b>Information to governing bodies and internal oversight</b></p> <p>The timely submission and availability of pertinent information to IFAD's governing bodies enables them to fulfil their governance role effectively. Member States have access to documents submitted for review, decision or information in advance of sessions of the Governing Council and the Executive Board and their subsidiary bodies and working groups through the Member States Interactive Platform. Documents are also disclosed on the public website. Audit Committee members have access to more detailed, non-public information, such as internal audit reports (IARs) which are discussed in a closed session, in line with its advisory role to the Executive Board on the effectiveness of IFAD financial and risk management practices and of internal and external audit mechanisms. Accordingly, access to documents destined for the Audit Committee is restricted and participants in Committee meetings are bound by confidentiality obligations. Currently, Executive Board representatives who are not members of the Audit Committee cannot access IARs.</p>						
17	<p><b>Submission of the Annual Report on the Activities of the Office of Audit and Oversight to the April sessions of the Executive Board for information (AUO).</b></p> <p>This report contains substantive summaries of all IARs issued during the preceding year plus information on the advisory activities and contributions of AUO, detailed information on the implementation of internal audit recommendations; summaries of major investigation cases concluded and sanctions or disciplinary measures applied; and information and analyses of the investigative experience and cases. The section of the report dealing with investigative matters is already disclosed publicly on the IFAD website. It is proposed that the AUO Annual Report be shared with the Board after it has been reviewed by the Audit Committee. The feedback/comments of the Committee would be conveyed to the Board through the Committee Chairperson's report. The recommended option is not to disclose the report, but rather share it with the Board through restricted access.</p>	<p>If the report were to be disclosed publicly, AUO would need to ensure that the content of the report respects public disclosure principles in relation to privacy, legal sensitivity, security and confidentiality criteria. Furthermore, AUO would need to ensure that references to specific parties are consistent with the rights and authorization pertaining to such information, and that references to IFAD processes and functions are appropriately explained to minimize any risk of misinterpretation by external readers. This could have an impact on the current format and content of the annual report. If the report is shared with Executive Board representations, risks can be mitigated by ensuring restricted access. This action is not expected to claim additional staff time or resources.</p>	<p>This action will require amendment of the AUO Charter which currently foresees that the AUO Annual Report is available only to the Audit Committee. No policy, process or system changes are foreseen.</p>	<p>United Nations agencies and IFIs generally issue annual internal oversight reports to their governing bodies, but only some of these are accessible on their public websites. IFIs generally do not disclose publicly any information on the results of internal audit activities.</p>	<p>The AUO Annual Report for 2017 will be shared with the Board in April 2018. This practice will not be applied retroactively for years prior to 2017.</p>	Yes
18	<p><b>Provide Executive Board representatives with access to internal audit reports on request (AUO).</b> It is proposed that Board</p>	<p>It is assumed that disclosure of IARs will be confidential and restricted to the Executive Board representative requesting access. It</p>	<p><b>This action will require the amendment of the AUO Charter, which currently</b></p>	<p>IFI practices with regard to access by board</p>	<p>It is proposed that Executive Board representatives are</p>	Yes

	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	<p>representatives have the option of accessing IARs. It is further proposed that the request for access is processed through the Audit Committee Chairperson, who may require the report to be reviewed by the Audit Committee (if this has not been previously done). In addition, when access is provided, Board representatives must be subject to the same confidentiality restrictions that apply to Audit Committee members.</p> <p>The decision to allow access to restricted Audit Committee documents should be based on the Board's careful consideration of: (i) the need for access to specific information; and (ii) the confidentiality regime that applies to the information in question.</p>	<p>is further assumed that the same confidentiality restrictions will apply to requesting Board representatives as currently applied to Audit Committee members. This action is therefore not expected to result in any incremental public disclosure of information included in the reports and consequently should not imply any risk. In line with the process for sharing IARs with the Audit Committee, AUO will redact the reports as necessary to safeguard privacy, sensitivity, security and confidentiality. If a requested report has not been reviewed by the Audit Committee, AUO will coordinate with the Committee Chairperson to manage the disclosure in a way that benefits from the technical advisory mandate of the Committee.</p>	<p><b>does not provide for Executive Board access to IARs.</b> A process will need to be introduced to manage restricted disclosure of these reports to Board representatives, with the participation of the Audit Committee. <b>(This may necessitate an amendment to the Terms of Reference of the Audit Committee.) A restricted site may also need to be created</b> on the Board representatives' platform.</p>	<p>representatives to IARs are mixed: several do not allow such access; others do, while one IFI requires authorization each time by the Audit Committee. In no case are IARs publicly disclosed.</p> <p>Some United Nations funds and programmes post IARs on their public websites. This practice is not generally followed by United Nations specialized agencies.</p>	<p>provided with the opportunity to access IARs on request starting in April 2018, on the basis of the IARs listed in the AUO Annual Report for 2017 (to be shared with the Board in April 2018). It is not proposed to apply this practice retroactively. The revised procedure to be followed by Board representatives for accessing reports will be proposed for confirmation by the Board in April 2018 as part of the revised Charter of the Office of Audit and Oversight.</p>	
19	<p><b>Additional information to be provided to the Audit Committee on the causes of investigations and sanctions (AUO).</b></p> <p>Additional detail on control weaknesses or other potential causes of substantiated wrongdoing will be provided in the AUO Annual Report. AUO will also provide additional details, on request, to the Audit Committee in a closed session. All additional disclosures will be made in full respect of privacy, security and safety obligations.</p>	<p>The additional disclosures will respect privacy, security and legal obligations and will be handled confidentially to ensure that this action does not generate added risks.</p>	<p>No policy, process or system implications are foreseen.</p>	<p>Information on causes of investigative cases is generally shared with the Audit/Oversight committees of IFIs and United Nations organizations.</p>	<p>This practice will be introduced in the AUO Annual Report for 2017, which will be shared with the Audit Committee in March/April 2018.</p>	No
20	<p><b>Issue a note to IFAD Member States restating the information that is publicly available from IFAD sources (Office of the Secretary [SEC]).</b></p>	<p>None</p>	<p>None</p>	<p>n.a.</p>	<p>November 2017</p>	No
21	<p><b>Provide wider access to Convenors and</b></p>	<p>To mitigate the possibility of additional cost and staff time requirements, the</p>	<p>None.</p>	<p>n.a.</p>	<p>To be implemented as of the first meeting of</p>	No



	Action to be taken (and responsible division)	Risks and mitigation measures	Necessary policy, process or system changes	Comparative practices	Implementation timing and retroactive application	Board approval required
	<p><b>Friends documentation (SEC).</b></p> <p>The notes of the Convenors and Friends meetings will be publicly shared, unless Convenors request that access be restricted to specific meetings.</p>	documentation will only be available in English. Reminders of the informal nature of the meeting will be issued.	Convenors have expressed full support for this practice.		Convenors and Friends in 2018.	
22	<p><b>Make available the President's opening and closing remarks at Executive Board sessions (SEC).</b></p> <p>The President's opening and closing remarks will be publicly disclosed in IFAD's official languages for information.</p>	<p>Risk: Decisions made at the session may not be fully captured in the closing remarks.</p> <p>Mitigation measure: The official minutes will capture decisions and deliberations comprehensively.</p>	<p>Discontinuation of the decisions and deliberations document (which was provided for information).</p> <p>Convenors have expressed their full support for this practice.</p>	FAO and WFP post closing remarks on their website.	Starting with the 122 <sup>nd</sup> session of the Board in December 2017.	No