



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Ninth Session

Rome, 3-4 May 2000

**PROGRESS REPORT ON THE ACTIVITIES OF
THE PROCESS RE-ENGINEERING PROGRAMME**

1. In December 1999, a document on the Capital Expenditure Budget of IFAD (EB 99/68/R.8) was presented to the Sixty-Eighth Session of the Executive Board. The Board recognized that the expenses for a process re-engineering programme lent themselves to capital budgeting. It decided to submit the capital budget proposal of USD 26 million to the Twenty-Third Session of the Governing Council, for its approval, to finance the programme in the fiscal years 2000-2005. The Governing Council approved Resolution 116/XXIII on the capital budget proposal on 16 February 2000. The resolution also authorized the President of IFAD to appropriate the first tranche of the capital budget in an amount not exceeding 5% of the total capital budget to carry out the detailed design phase of the programme.
2. The manager and co-manager of the Programme Management Unit (PMU) and the programme assistant have been appointed. Over the next few months, the PMU will focus on coordinating the work of the design phase in order to ensure timely completion of a report to the Seventy-First Session of the Executive Board in December 2000. The report will detail the proposed programme of implementation for the Board's approval.
3. The PMU sent out a request for proposals to 11 firms, inviting them to submit a proposal for consulting services for the detailed programme design. Five firms attended a vendors' conference held in March 2000, and four companies have submitted proposals. An internal panel has now shortlisted two firms. These firms visited IFAD management and staff for a one-day "due diligence/discovery" period, during which they had the opportunity to learn more about the re-engineering programmes and lessons learned from previous experience. The revised and final proposals were received on 25 April, and the evaluation panel has made its recommendation, which will be considered at the 9 May meeting of the Procurement Advisory Committee.
4. Over the last two months, the PMU has also initiated a Change Management Programme with the assistance of the Cranfield School of Management, Cranfield, United Kingdom. The programme has been aimed particularly at senior and middle-level managers and, where possible, has included other staff members. The course has outlined the strategic issues involved in undertaking process management, including consensus on the degree of change as well as on a definition of and approach to process re-engineering.