**IFAD**

INTERNATIONAL FUND
FOR AGRICULTURAL
DEVELOPMENT

Enabling the rural poor
to overcome poverty

# Progress report on implementation of IFAD's Action Plan for Improving its Development Effectiveness

Executive Board — Eighty-ninth Session
Rome, 12-14 December 2006

For: **Information**

# Note to Executive Board Directors

This document is submitted for the information of the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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# Abbreviations and acronyms

APMT          Action Plan Management Team
COSOP         country strategic opportunities programme

# Progress report on implementation of IFAD's Action Plan for Improving its Development Effectiveness

## I. Introduction

1. The Executive Board, at its eighty-sixth session in December 2005, approved IFAD's Action Plan for Improving its Development Effectiveness as the basis for implementing the Fund's response to the Independent External Evaluation of IFAD and for providing the framework for the change and renewal necessary to improve IFAD's development effectiveness and impact (EB 2005/86/R.2/Rev.2). In approving the Action Plan, the Executive Board requested that, in addition to periodic updates submitted to its other sessions, an annual progress report on implementation of the Action Plan be submitted regularly to its December session. This is the first such report.

## II. Aims of the Action Plan

2. The overarching goal of the Action Plan is to increase IFAD's development effectiveness by addressing three critical dimensions of its performance: relevance, effectiveness and efficiency.

## III. Main areas of action

3. To achieve this goal, implementation of the Action Plan has been organized, as approved by the Executive Board, in three main areas of action:

    (a) strengthening strategic planning and guidance to establish the priority areas for IFAD's operations;

    (b) enhancing project quality and impact by implementing a new operating model to deliver a more effective and efficient work programme; and

    (c) improving knowledge management and capacity to promote innovation to ensure that priorities and operations are grounded in a thorough knowledge of the critical issues in rural poverty reduction and what works in addressing them.

4. Each of these areas has been assigned to a working group with IFAD-wide membership. In addition, each area is supported by information and communication facilitation and human resource reforms, the latter being an area for action by a separate "virtual" working group on human resource management issues across the Action Plan.

5. The deliverables of the Action Plan will be provided and implemented, in large measure, during 2006 and 2007. During 2008, changes and reforms will be consolidated and mainstreamed into the Fund's line functions.

## IV. Management of the Action Plan

6. The overall coordination and monitoring of Action Plan implementation and the timely completion of its deliverables are the responsibility of an Action Plan Management Team (APMT).[1] The team, under the leadership of an Executive Director, Ms G. Olsson, comprises the chairs of the three working groups mentioned above, Messrs G. Howe, T. Elhaut and M. Beavogui respectively, and the Directors of the Divisions of Human Resources and Communications, Ms B. Kimani and Ms S. McGuire respectively. An external strategic advisor, Dr Keith Bezanson, provides continuous guidance.

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[1] Until August 2006, the management of the Action Plan was the responsibility of a steering committee, a senior interdepartmental body that, under the chair of the Assistant President, Finance and Administration Department, reported to the President. The committee was initially supported by an Action Plan Coordination Group under the chair of the Assistant President, Programme Management Department. With the departure of the two Assistant Presidents, the Action Plan management structure changed to its present form.

7.  The team is working on the basis of agreed individual group and subgroup workplans, all with specified timelines, peer reviews and budgets. It is supported by a small secretariat.

8.  A number of coordination and monitoring mechanisms have been put in place to ensure, among others, timely identification of integration and consistency issues, assessment of risks, and identification of required institutional and behavioural changes. These mechanisms include weekly APMT meetings, regular meetings with senior management and weekly reporting to Senior Management through the Executive Director.

9.  During 2006, the working groups held regular meetings of their members, and joint meetings among groups and subgroups in order to address integration and consistency issues. In addition, to promote broad ownership and draw on internal and external knowledge and best practice, they organized surveys, workshops, seminars, consultations with external partners and training sessions. They also availed themselves of the services of outside experts and consultants.

## V. Progress achieved

10. To date and with few exceptions, work is progressing well with deliverables having been completed on schedule. APMT's aim is to continue with this trend. It is important, however, to underscore the magnitude and complexity of the tasks and deliverables encompassed by the Action Plan, and the imperative of careful and thorough costing of the implications of all new mechanisms and policy changes. As Action Plan tasks have been addressed over the past several months, the complexities of each one, and the challenges of ensuring that the ensemble of tasks achieve coherence and complementarity, have become increasingly clear. As a result, time frames require constant surveillance and adjustment, and there is one area that is currently somewhat behind the previously envisaged schedule. This relates to human resources, whose previous indicative deadlines did not adequately calculate sequencing requirements and time frames.

## VI. Deliverables

11. Two Action Plan deliverables were submitted to and approved by the Executive Board in September:

    (a) **The results-based country strategic opportunities programme (COSOP).** The key features of the results-based COSOP are strong country ownership; a clear rationale for engagement; emphasis on focus and selectivity; strong alignment with national policies and strategies; harmonization with the activities of other donors; results-based performance management; learning, including willingness to take informed risks that are accompanied by risk management strategies and to learn from them; and knowledge management and sharing of lessons. The results-based COSOP is conceived as an instrument both for strategic positioning and for management of and accountability for results. In terms of changes in the Fund's operational modalities, the new COSOP necessitates: more emphasis on IFAD's core competencies and comparative advantage; more emphasis on targeting and target groups in line with IFAD's policy; joint ownership by IFAD and the concerned countries, with much more country involvement in design and implementation; full alignment with the poverty reduction strategy or its alternative; more emphasis on harmonization with the activities of other development partners; more focus by selecting three key strategic objectives in each COSOP; increasing integration of loans, grants, policy dialogue, partnerships and knowledge management with full synergy and complementarity of these different instruments in support of the same strategic objectives; adoption of a uniform approach to describing the

financing framework based on the performance-based allocation system (PBAS); and the replacement of a logical framework by a results management framework, with relevant annual progress reviews and reporting.

(b) **Revised approval format for projects.** In response to the Independent External Evaluation's recommendation to rationalize the project approval format by concentrating on key project objectives, funding levels and a results framework, the new Report and Recommendation of the President will be shortened to five pages and will focus strictly on the key institutional issues associated with the proposed project such as lending conditions, compliance with policies and procedures, reputation concerns and safeguards against misapplication of resources. Executive Board Directors will have confidential electronic access to the main project appraisal report and to the key files of the project design documents – thus enabling them to assess the operational and organizational aspects of proposed projects in greater depth than previously. The benefits of the new format include cost-efficiency gains and greater transparency and information-sharing as a result of the availability of the related appraisal reports on IFAD's restricted website.

12. In the context of the overall effort of the Action Plan and in response to a specific request of the Executive Board, the Board received and approved an IFAD Policy on Targeting (EB 2006/88/R.2/Rev.1). Effective targeting is a key factor for a sustainable impact on poverty. Therefore, the policy is fully aligned with, and will contribute to, the implementation of the Action Plan's goal of increased development effectiveness. The policy provides a clear definition of IFAD's target group and establishes a shared conceptual understanding of targeting; it outlines the general principles that will guide IFAD in identifying and reaching the target group, and the methods and means that it will use to this end; and it provides an overview of how targeting will be addressed in the context of IFAD's operational instruments. The policy also provides the framework for the development of operational guidelines. Furthermore, it looks beyond operations at how IFAD can contribute to better-targeted poverty reduction efforts within its broader engagement, under the agenda called for by the 2005 Paris Declaration on Aid Effectiveness, in policy dialogue and national multistakeholder programmes.

13. The Executive Board, at its September 2006 session, agreed that a medium-term plan was not needed and should therefore be cancelled as an Action Plan deliverable.

14. At its present session, the Executive Board will receive for approval three additional Action Plan deliverables: IFAD's Strategic Framework, 2007-2010; IFAD's Strategy for Knowledge Management; and the IFAD Policy on Supervision and Implementation Support.

15. These three products are highly complementary. The **Strategic Framework, 2007-2010** is IFAD's main policy document. It articulates what and how IFAD will contribute to global efforts to reduce poverty. It defines the Fund's development goals and objectives, and gives strategic guidance on how to focus IFAD's engagement in its areas of maximum value added. It describes the principles of, and instruments for, IFAD's engagement, and delineates the thematic areas in which the Fund will focus its work. The **Strategy for Knowledge Management** concentrates on how to deepen IFAD's knowledge and comparative advantage in the thematic focus areas of its engagement, as outlined in the strategic framework. It also concentrates on how the Fund can best draw on knowledge deriving not only from its own and its partners' operations but also from the poor themselves. The proposed **Policy on Supervision and Implementation Support** aims at increasing IFAD's capacity to draw knowledge from the ground and have it better inform its operations and policies. In addition, the policy aims at facilitating the integration of all country programme activities into one coherent and strategically aligned set of activities

spanning investments, policy dialogue, grant-funded programmes and innovation and knowledge. These three deliverables are also intricately linked to those submitted to the Executive Board in September. While the strategic framework provides the results-based COSOPs with parameters of engagement, the knowledge management strategy contributes to their relevance, and the Policy on Supervision and Implementation Support underpins their implementation, monitoring and assessment.

16. The preparation of these three deliverables has benefited from internal and external consultations, including a policy forum and an open forum in which all staff were invited to participate.

17. Work is ongoing, as planned, on the preparation of operational guidelines for the results-based COSOP and for the Policy on Targeting. Training is also being provided to staff on the preparation of the new COSOP and the new President's report. All COSOPs and President's reports submitted to the Board during the present session are in the new format. Furthermore, concerted efforts are being made to develop a high-level results framework to guide the preparation of the results frameworks that accompany the various elements of the Action Plan. Similar efforts are ongoing to address other factors that will impact on the successful implementation of the Action Plan, most importantly issues relating to quality assurance, policy and the results-based budget.

18. Enhancing the quality of all of IFAD's operations is at the core of the Action Plan starting with the strategic framework, which will assist the Fund in focusing its operations on its areas of maximum value added. Quality also drives all new operating modalities as they focus on enhancing relevance through stronger integration into national plans and institutions; upgraded support for implementation; concerted efforts to attain significant improvements in knowledge management; and an emphasis on better staff management and focused staff training to build capacities for Action Plan implementation. The deliverables submitted to both the September session of the Board and its present one give ample evidence of the priority assigned to quality. It is, furthermore, expected that a strengthened policy process, once put in place, will enhance quality by ensuring that lessons learned are captured more effectively and translated into policies, which, in turn, will provide operational guidance and strategic direction.

19. Another core component of the Action Plan aims at strengthening overall strategic guidance and planning in IFAD, and ensuring linkages, coherence and complementarity. The working group addressing these issues has elaborated a proposal on the organization of the policy process in IFAD. What is proposed is an organization-wide and highly coordinated process comprising a set of sub-processes within a cycle going from policy initiation (based on a policy development agenda) to policy formulation, promulgation, application, monitoring and assessment. The proposal puts great emphasis on interlinkages between the policy process and programmes at the country and regional levels, both to provide guidance and to facilitate learning from operations. In developing the proposal, the working group took into consideration the other processes reviewed or developed within the Action Plan, including the country programme cycle, learning and knowledge management, mainstreaming innovation, and quality assurance. The proposal will be submitted to Senior Management for their approval by December 2006.

20. Another critical factor for success is ability to respond to the performance indicators established within the Action Plan. Several elements are involved in this, including the 2008 programme of work and budget, which will be presented in a results-based framework that sets performance targets and indicators for all major IFAD operations. Moreover, the strategic budget documents presented at this Executive Board include specific measurable objectives and indicators. This aspect of the

budget will be further tightened on the basis of implementation experience in 2007, and this process will then inform the preparation of the strategic budget for 2008.

## VII. Interaction with the Executive Board

21. In addition to submitting progress reports and specific Action Plan deliverables to the Executive Board according to schedule, IFAD is addressing issues raised by the Board with regard to the Action Plan at its eighty-sixth session as recorded in the conference document entitled "Issues for Elaboration on IFAD's Action Plan for Improving its Development Effectiveness" (EB 2005/86/C.R.P.2/Rev.1) and subsequently addressed during the Board's eighty-seventh session, in the document entitled "Action Plan Elaboration of Issues Raised by the Executive Board" (EB 2006/87/R.2). Some of these issues were further elaborated during the Board's eighty-eighth session, through an oral presentation by the Executive Director of the Action Plan.

22. Another vehicle that has proved very effective in facilitating interaction with Board members and proactive inclusion of their concerns into the finalized deliverables has been the informal Executive Board seminars. Informal seminars have, for example, been organized to discuss the Policy on Targeting, the results-based COSOPs, the new format for the President's reports, the Strategic Framework, 2007-2010 and the Strategy for Knowledge Management. Another seminar will take place to discuss the Policy on Supervision and Implementation Support. These seminars are highly appreciated by IFAD staff and Management and Executive Board members alike.

## VIII. Evaluation of the Action Plan

23. As reported in its work programme and budget for 2007, the Office of Evaluation will no longer evaluate IFAD's Action Plan. Nonetheless, as already decided, in 2007 the Evaluation Committee will discuss IFAD policy proposals arising from evaluation lessons and recommendations. In this context, the Office of Evaluation will evaluate IFAD's Policy on Supervision and Implementation Support.

## IX. Major challenges

24. Although all Action Plan deliverables for 2006 have so far been completed on time, and the preparation of those for 2007 is on track, this does not mean that all major challenges have been surmounted. Some concerns that still need to be carefully addressed are related to human resources, risk management – including risks associated with integration, coordination and consistency among the diverse elements of the Action Plan – change management and the imperative of sustainability in relation to IFAD's impact.

**Human Resources**

25. The Action Plan can be successfully implemented only if staff own and mainstream the changes and reforms, not only with regard to concentration in the strategic areas of the Fund's comparative advantage, but also by acquiring, when missing, the skills and competencies necessary to do so. All the groups working on the three areas of the Action Plan have identified needs relating to human resources and their use. Furthermore, the "virtual" group working across the Action Plan has provided necessary support for developments within the Division of Human Resources and has supported change management, including changes in attitudes and behaviours, across IFAD. Thus, apart from the mechanisms put in place to ensure integration (see paragraphs 8 and 9 above), a set of activities is being implemented to address the Action Plan's human resource implications. Major among them is a workload analysis, to be followed by a competency gap analysis, training and change management.

26. So far, the workload analysis has been completed and has been discussed at divisional and departmental levels and by IFAD's management team at its session on

25 October 2006. The analysis provides a basis for rationalizing the use of human resources and applying them in areas and functions that will best contribute to achieving the Fund's development objectives. Subsequently, the need for competency and skills development to match requirements in those areas will be identified and addressed.

27. The complexity of the human resource implications of the Action Plan and the sequencing and integration issues associated with its implementation have delayed the completion of some of the human resource-related deliverables for Senior Management's review. This, for example, is the case of the revision of roles and performance measures, the career guidelines and the revision of the staffing structure. These will now be submitted to Senior Management during the first quarter of 2007.

**Risk Management**

28. As underscored earlier in this report, the complexity of the Action Plan, together with the need to achieve coherence across all of its components, poses daunting challenges. A range of related risks also exists, to which attention was drawn in the oral report made in September. The APMT is very much aware of those risks and has developed a risk register where all major risks are listed and weighed in terms of potential impact and likelihood of occurrence, and mitigating actions proposed. The risk register has allowed the close monitoring of developments in terms of impact and has facilitated the development of new, and the fine-tuning of established, mitigation interventions. The risk register today shows that risks are being managed effectively or contained within an acceptable range (see annex). Continuous close attention will be devoted to risk management, and any deadlines or milestones requiring modification will be dealt with and communicated in full transparency.

**Change Management**

29. Change management to date has been aligned with the development of the deliverables and has mainly focused on ensuring broad staff participation through regular communication and timely training. As the implementation phase progresses, a change management plan will be completed, drawing on the experience of other development organizations with similar processes.

**Sustainability**

30. The Annual Report on Results and Impact of IFAD Operations Evaluated in 2005 (EC 2006/45/W.P.3) indicates improvement of ratings against all performance criteria, with efficiency remaining the same. Sustainability of impact, which was the lowest-performing criterion, will obviously require further efforts and is given priority attention in the context of Action Plan implementation. An 80 per cent rate of sustainability across the entire IFAD portfolio by 2009 has been set as a target, and the Action Plan has proposed a number of modalities aimed at this target and will be proposing others. Such a target will also need to be under constant review to ensure its consistency with the objectives of scaling up, greater programme experimentation and informed risk-taking. In fact, all deliverables have so far singled out sustainability as a key objective and have proposed a number of new intervention modalities to enhance it. The priority assigned by the results-based COSOP to the integration of all IFAD interventions into a coherent country programme pursuing the same strategic objectives is aimed at, among others, ensuring sustainability. Similarly, the new modalities proposed in the policy on supervision are, in no small measure, intended to promote sustainability.

# X. Management of the budget

31. A summary of costs for the Action Plan for the period 2006-2007, presented to the Executive Board in December 2005, included an overall amount of US$9.5 million, which was the balance of funds available from the Strategic Change Programme. Some US$3.95 million has been allocated to activities for 2006, and the table indicates how this has been allocated to the four working groups to support their outputs of deliverables, as presented to the Executive Board. In addition, the secretariat has managed the funds allocated for the replacement of IFAD staff temporarily reassigned to Action Plan activities. About US$1.3 million has been used to date, and further use of these funds, especially for staff replacement, is expected by the end of 2006.

32. In parallel to funding provided by IFAD, funding has also been made available from bilateral contributions. The activities of the Institutional Strengthening Project (ISP) funded by the Department for International Development (DFID) of the United Kingdom of Great Britain and Northern Ireland have been aligned with the work of the Action Plan, and DFID support has been made available to (i) the working group on strategic planning and guidance, for results-based planning tools; (ii) the working groups on the new operating model and knowledge management and innovation, for country programming pilot work; and (iii) the "virtual" working group on human resources management, for support within the Division of Human Resources for improved planning and training. The indicative funding for 2006, included in the following table, is subject to final approval by DFID and based on actual requirements in 2006. The Government of Ireland has also expressed strong interest in supporting the country-level initiatives being undertaken by the Action Plan; and following detailed consultations in July, a costed proposal was submitted to the Government for approval. Subject to this approval, these funds will support the implementation process of Action Plan activities, particularly the new operating model.

**Action Plan Budget 2006\***

Use of funds up to 18 October 2006

| | Revised 2006 budget and 2006 final programme of work | Use to date | Action Plan 2006 balance | ISP funds (subject to DFID approval) |
|---|---|---|---|---|
| **Secretariat** | **107 200 000** | **4 826 832** | **102 373 168** | **10 000 000** |
| **Working group on strategic planning and guidance** | | | | |
| Policy development and completion process | 2 000 000 | - | 20 000 00 | |
| Strategic framework | 100 028 53 | 68 028 54 | 31 999 99 | |
| Key performance indicators: corporate/country-level | 366 551 95 | 150 889 51 | 215 662 44 | |
| Quality assurance system | 273 329 16 | 33 741 41 | 239 587 75 | |
| Performance measurement and monitoring system | 17 190 36 | 19 400 36 | -2 210 00 | |
| Medium-term plan | - | - | - | |
| ISP: medium-term planning tools | | | | 100 000 00 |
| **Subtotal** | **777 100 00** | **272 059 82** | **505 040 18** | **100 000 00** |
| **Working group on new operating model** | | | | |
| Staff time | 187 300 00 | - | 187 300 00 | |
| Country programme approach | 201 000 00 | 71 975 21 | 129 024 79 | |
| Supervision modalities | 201 000 00 | 152 075 74 | 48 924 26 | |
| Country programme management team | 178 000 00 | 169 822 29 | 8 177 71 | |
| Quality enhancement | 74 900 00 | - | 74 900 00 | |
| IT systems | 170 000 00 | - | 170 000 00 | |
| ISP: country impact | | | | 335 000 00 |
| **Subtotal** | **1 012 200 00** | **393 873 24** | **618 326 76** | **335 000 00** |
| **Working group on knowledge management and innovation** | | | | |
| Stocktaking | 92 150 96 | 85 270 13 | 6 880 83 | |
| Design strategy | 107 368 64 | 87 778 53 | 19 590 11 | |
| Operational guidelines | 45 000 00 | - | 45 000 00 | |
| Harvest knowledge management and innovations, mechanisms and tools | 50 000 00 | 20 906 00 | 29 094 00 | |
| Develop IT portal systems | 342 480 40 | 5 570 40 | 336 910 00 | |
| Institutional cultural change | 60 000 00 | - | 60 000 00 | |
| ISP: knowledge management | | | | 135 000 00 |
| **Subtotal** | **697 000 00** | **199 525 06** | **497 474 94** | **135 000 00** |
| **"Virtual" working group on human resources management** | | | | |
| Manage and monitor career development | 191 300 00 | 180 709 29 | 10 590 71 | |
| Quality and leadership capacity | 198 000 00 | 197 999 20 | 80 | |
| ISP: human resources capacity-building | | | | 127 500 00 |
| **Subtotal** | **389 300 00** | **378 708 49** | **10 591 51** | **127 500 00** |
| **TOTAL** | **3 947 600 00** | **1 292 434 93** | **2 655 165 07** | **797 500 00** |

\*    Including provisional Institutional Strengthening Project activities funded by DFID.

# Action Plan risk register

| Ref # | Potential Risk Element1 | IFAD Risk Manager/ Risk Leader listed first | Impact Level if risk element occurs in this option (1 - 5)2 | Probability of Occurrence at this time (0 - 5)3 | Element Risk Level (Impact x Probability)4 | Jul-06 | | Impacts | Mitigation |
|---|---|---|---|---|---|---|---|---|---|
| **1 Management Commitment & Action Plan Credibility** | | | | | | | | | |
| 1a | Lack of timely decisions and directions by APMT or by Senior Management | ED, SM | 5 | 3 | **15** | 20 | **Reduced** | Given IFAD's historical consensus driven decision making process (and hence not always very fast), given the likelihood of a significant number of key decisions coming to APMT and Senior Management during the Action Plan | * Agreement on standard decision making process<br>* Planning of meetings to allow time for preparation<br>* Effective preparation of meetings, presentations and decisions<br>* Follow up and monitoring of how decision are implemented<br>* Regular involvement of Senior Management |
| 1b | Ineffective mgt of the SC transition | ED | 5 | 2 | **10** | 20 | **Reduced** | If the transition to the new APMT is not effective this may lead to confusion, lack of direction and delay in the progress of the Action Plan | Definition of a transition process leading to the new APMT which addresses:<br>* Approach to the transition<br>* Timing of the transition<br>* APMT TOR<br>* Ways to enable an effective start by the new APMTmembers |
| 1c | APMT members, lack of and ineffective use of their time | APMT, Secretariat | 3 | 3 | **9** | 9 | **Stable** | The analysis and approval of Action Plan deliverables requiring Senior Management focus and input is not timely and/or is ineffective resulting in an overall loss of credibility | Careful project planning, timely schedule of review and approval meetings, effective meeting management |
| 1d | Lack of time availability by Senior Management | APMT, Secretariat | 4 | 2 | **8** | 12 | **Reduced** | The analysis and approval of Action Plan deliverables requiring Senior Management focus and input is not timely and/or is ineffective resulting in an overall loss of credibility | Careful project planning and timely schedule of review and approval meetings |

**2 Coordinating & Resourcing**

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *2a* | Lack of integration between the work of the workgroups and of the subworking groups | WGChairs | 5 | 3 | **15** | **20** | **Reduced** | Poor communication and limited information sharing about related work going on in the different workgroups may result in ineffective or conflicting solutions. | * APMT to request, show and encourage team spirit.<br>* Monthly SC meetings with all WG Chairs to foster timely integration<br>* Secretariat facilitating integration where necessary and attending WG meetings on a regular basis to share/address information and issues |
| *2b* | Inadequate resources to undertake the work and growing fatigue by Action Plan team members | WG Chairs | 5 | 4 | **20** | **20** | **Stable** | If the resource requirements for sub-phase 2 have been under estimated there will be time delays and increased costs. | * Close management supervision of a detailed project plan. * APMT and WG Chairs need to be upfront about any possible areas of under-scoped activities, and raise the potential for additional resourcing requirements as soon as they become apparent. |
| *2c* | Lack of effectiveness in managing the communication and involvement | Communication Dir, WG Chairs, Line Managers | 4 | 3 | **12** | **16** | **Reduced** | As deliverables are prepared and approved staff may not be preparing in a timely manner to carry out activities with the new solutions | * Clear understanding of who needs to be informed and involved<br>* Clear understanding of who (e.g. WG Chairs/Line Managers) has the responsibility to ensure that staff are informed on changes<br>* Clear role and timely involvement of the Communications Division in supporting the Action Plan |
| *2d* | Unrecognised risks may develop into issues and become an impediment to the success of the project and to its effective implementation | APMT, Secretariat | 4 | 4 | **16** | **16** | **Stable** | Unrecognised risks may cause disruption to the project schedule, to the project budget and to the implementation of the new solutions | * Prepare risk register and monitor/update on a monthly basis*<br>Ensure that risks and relevant mitigating actions are focused on both the Design phase and the Implementation phase of the Action Plan |
| *2e* | Action Plan costs are incorrectly budgeted | WG Chairs | 4 | 4 | **16** | **16** | **Stable** | Cost run-over, inadequate allocation of costs | * Closely monitor budget;<br>* Close management and supervision of a detailed project plan.<br>* Monthly reporting of costs, budgets and commitments to APMT.<br>* Forecast costs out every 6 months |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 2f | Conflicting pressure on Secretariat members pulled towards regular non Action Plan related activities | APMT | 3 | 4 | **12** | **12** | **Stable** | Ineffective support to APMT | Allow % staff compensation to replace staff members who are working as part of the secretariat |
| 2g | Lack of coordination in support of the development of the Action Plan | Secretariat, WG Chairs | 4 | 3 | **12** | **12** | **Stable** | Ineffective coordination resulting in confusion and slippage, with a negative effect on stake holder's involvement and Action Plan credibility | * Assign clear responsibility to the development of strategic and of operational coordination<br>* Develop integrated programme plan with milestones, critical paths |
| 2h | Loss of key resources | APMT/WG Chairs | 4 | 3 | **12** | **12** | **Stable** | If key resources leave the Action Plan this may slow down work progress or develop ineffective results fostering possible confusion and discouragement within the Action Plan working Groups | * Ensure that Action Plan key players have manageable work-life balance conditions<br>* Ensure contractual stability and alignment to Action Plan timeframe of key players<br>* Should key players leave the organisation ensure that staff replacing them have similar skills |

**3 Business Support and Solutions**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 3a | Action Plan solutions are defined in isolation without the appropriate interaction with the rest of the Organisation | APMT/WG Chairs | 4 | 4 | **16** | **16** | **Stable** | * If the line functions are not correctly involved this may result in the Action Plan working groups working in isolation with solution that are not backed up or accepted by IFAD staff<br>* If the President is involved on the deliverables at the end of the process there may be major changes to be carried out | * Define an approval process for the deliverables that involves the line functions<br>* Include qualified representatives of all division within the working groups<br>* APMT to ensure that on major deliverables the President is briefed on key aspects of the work |
| 3b | Inadequate input provided by external consultants | WG Chairs | 5 | 3 | **15** | **15** | **Stable** | Consultants may provide ineffective solutions if they:* are not carefully selected* are not carefully supported and coordinated by IFAD staff (especially when the consultants do not have in depth IFAD understanding and experience) | * Careful screening process to select consultants supporting the Action Plan needs to be carried out* Definition of clear responsibilities in IFAD on who is coordinating and supporting the consultants while working on the Action Plan |
| 3c | Inadequate business skills supporting the development of the solutions | WG Chairs | 4 | 3 | **12** | **12** | **Stable** | If the WG teams do not have the appropriate skilled resources available, timeframes will not be met and the implementation will be delayed. Flawed design and configuration may lead to unsatisfactory solutions | * Staff with the appropriate skills is assigned to the WGs<br>* Quality assurance system to assess potential skill gaps and strategies to fill them |
| | | | | | **211** | **225** | | | |