



Promoting Justice to Create Opportunity

Annual Management Plan 2010

Realizing Our Potential
and Creating Impact

Approved by the
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International Development Law Organization
Assembly of Parties

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IDLO Today

IDLO is an intergovernmental development organization that has promoted rule of law for more than twenty-five years. With a talented, determined group of legal and development specialists, IDLO advances economic and social opportunity for those in need.

Rule of law runs through the interdependent imperatives of development, security and human rights, to which the international community has committed itself. IDLO's unique focus on the intersection of rule of law and development responds precisely to the needs of the people in the developing world and the priorities of the international community.

Access

As the only intergovernmental development organization whose sole focus is rule of law, IDLO has direct access to governmental leaders, institutions and multilateral aid organizations. In 2001, the United Nations granted IDLO observer status, leading to the creation of a permanent observer office at UN headquarters in New York.

Trust

IDLO wields no political agenda, which helps it bring together those with differing ideologies. The trust and respect it has built, along with its expertise in all legal systems and emerging global issues, enables the organization to help craft solutions that generate broad support.

Results

IDLO's comprehensive approach achieves enduring results by mobilizing stakeholders at all levels of society to drive institutional change. Its unique alumni network, with more than 20,000 legal professionals in 175 countries and 44 independent Alumni Associations, plays a key role in this process. Results are verified by vigorous and independent evaluation.

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Executive Summary

1. Never before has there been so much demand for the work of IDLO. The turbulent state of the world in 2009 has proven the need to make legal systems more resilient. National governments are including legal and judicial reform strategies in their national development plans, while individuals and local institutions are demanding improvements in access to law and justice in their own countries. The international community is increasingly seeing the interdependence between the rule of law, human security, economic growth, global regulation and empowerment of the poor, and therefore, the law's capacity to drive development outcomes.
2. In 2009, IDLO used its combined expertise in law and development to work with national counterparts to advance economic and social opportunity for those most in need. IDLO has consistently demonstrated its unique ability to access leaders of diverse groups and engender trust among stakeholders with specific interests in required legal, judicial and regulatory reforms. IDLO's work has produced notable results for individuals, institutions, and legislators and has contributed to advancing the global knowledge base on rule of law and development.
3. 2009 has been a year of transformation and strengthening IDLO's platform for program expansion. At the same time, IDLO has continued to develop and deliver programs under each of its program streams of ***Economic Growth and Trade, Social Development*** and ***Institutional Development***, and has achieved the majority of the preliminary targets outlined in the 2009 Management Plan for each of its five new **Strategic Objectives**: *National Strategies & Frameworks; Legal Empowerment; Global Challenges; Networks; and Knowledge Generation*. IDLO has gained practical experience and new insights in 2009 as to how programs designed in line with the different Strategic Objectives can make distinct and valuable contributions to advancing rule of law and achieving positive development outcomes. A detailed account of the programs IDLO has delivered in 2009, as well as the results they have generated is found in the Section *2009 Program of Work Accomplishments*.
4. IDLO has also made significant progress against the priorities outlined in the 2009 Management Plan for each of IDLO's eight **Management Objectives**: *Values; Performance; Team; Program & Processes; Accountability; Resources; Partnerships; and Communication*. As planned, the fundamental building blocks required to position IDLO for growth are now in place. IDLO successfully adopted a new organizational structure that aligns IDLO's staff and capabilities to the Strategic Plan, and attracted new talent to the Organization – individuals that have the experience and passion to deliver on IDLO's mandate and mission. IDLO also took significant steps to institutionalize Results Based Management throughout its program and administrative processes. A detailed review of the progress made in 2009 in each of IDLO's Management Objectives, as well as where the Organization intends to focus its efforts in 2010, can be found in the Section *Management Objectives and 2010 Priorities*.
5. Thought leadership, focused on the intersection of law and development, is a fundamental part of IDLO's value proposition. IDLO's capacity to generate insights on how the law can be used to facilitate positive development outcomes, along with the ability of its staff to be effective agents for positive change - whether advising state officials, building national capacity, or working on the ground alongside national and international counterparts as their partner of

choice in implementing legal and judicial reform – are what differentiate it. IDLO's Strategic Plan (2009-2012) is based on these comparative advantages.

6. Building on the experience gained in the first year of implementing the Strategic Plan (2009-2012), the 2010 Management Plan highlights the measures that IDLO will take to further strengthen its capacity to deliver on its mission. The Plan also takes into account IDLO's current forecasts regarding the program pipeline for 2010, as well as the Organization's core financing requirements.
7. IDLO's investments in improving its capacity to provide quality services to developing and transition countries, undertaken in 2009, will be systematically deployed in 2010. In the upcoming year, IDLO will seek to maximize the number and breadth of programs it develops and delivers to beneficiaries by focusing on three themes: ***Excellence in Delivery***; ***Strengthening IDLO's Reputation***; and ***Stabilizing Finances***.
8. IDLO's anticipated 2010 Program of Work will continue to be delivered through activities in Rome, regional centers and at the country level through program offices and IDLO's network of alumni. In 2010, IDLO expects to see activities under Strategic Objective One – National Strategies and Frameworks continuing to be dominant, constituting 40-50% of the program activities implemented by IDLO. Strategic Objective Two – Legal Empowerment will also be given significant emphasis in 2010, constituting 20-25% of IDLO's program implementation. Investing in program development will be a priority under Strategic Objective Three – Global Challenges; therefore, the volume of programs implemented under this Objective in 2010 is expected to remain at 5-10% of IDLO's total program portfolio. IDLO's network activities will be further strengthened in 2010, recognizing that IDLO's strategic networks, supported by IDLO's 44 Alumni Associations and myriad national and international partners, are one of IDLO's most effective mechanisms for extending its impact. Therefore, Strategic Objective Four – Networks is expected to account for 10-15% of IDLO's 2010 Program of Work. Finally, given the central role that thought leadership plays in continuously enhancing IDLO's ability to fulfill its mandate, Strategic Objective Five – Knowledge Generation will continue to be a strong focus in 2010. IDLO's research and evaluation activities will account for 20-25% of IDLO's Program of Work in 2010.
9. IDLO's total estimated budget for 2010 is projected to be **€21.40** million, representing an increase of 7% over 2009. In order for IDLO to reach this proposed 2010 budget and to position itself for continued growth in 2011, three conditions must be met. First, the level of unrestricted funding IDLO receives needs to increase to provide IDLO with the ability to finance the required institutional costs associated with being an intergovernmental organization. Second, the volume of programs developed and delivered in 2010 needs to rise in order to increase the amount of resources IDLO recovers from programs. Finally, IDLO will strive to manage its program support costs (overhead) below 15%, with the expectation that the planned increase in program development in 2010 and 2011 will lead to step increases in program delivery in 2011 and 2012, bringing overhead levels to 13% and 12% respectively.
10. These three conditions reflect the realities of IDLO's current and unsustainable funding model and financing framework. ***Stabilizing Finances*** will therefore be one of IDLO's areas of focus in 2010. The Organization will need significant support from its Member Parties to find a comprehensive and long term solution to IDLO's currently unpredictable and constraining financial situation.

11. IDLO's ability to capitalize on the strategic progress achieved in 2009, and to continue to efficiently and effectively execute and refine its strategy in 2010, will largely depend on the receipt of strong support from existing Member Parties and donors. IDLO looks forward to consolidating its position within the international development arena, meeting more demand, and strengthening and expanding its service offerings over the next three years of implementation of the Strategic Plan.
12. 2010 will also be characterized by a leadership transition within IDLO. William (Bill) T. Loris, one of the founders of IDLO and Director General since 2000, comes to the end of his mandate and retires during the first half of 2010. The Director General's departure will present a transition challenge to IDLO's governors, staff, beneficiaries and donors. Bill Loris has led the historical transformation of IDLO - from an idea, to a non-governmental organization, to an intergovernmental organization that has secured a noteworthy place in the international development architecture. Bill's inspirational leadership has placed IDLO on a solid path to being recognized as a global thought leader, a trusted capacity builder, and an agent of change at the nexus of law and development.



Introduction to the Management Plan

Overview

13. The past year has continued to underscore the relevance of rule of law to the international community and the unique contributions IDLO and its legal and development specialists make. IDLO's programs are improving how individuals in developing and transition countries understand and access law and justice, and how governments meet the legal needs of their populations. IDLO's programs are assisting national governments and their legal professionals to develop their own capacity to build strong judiciaries, adapt to the changing global regulatory environment and strengthen governance and rule of law in their countries. IDLO is working alongside national counterparts as a trusted advisor also during times of crisis and instability, providing technical assistance and advice during constitutional reform and peacebuilding processes. In 2010, IDLO's investment in its capacity to provide quality services to developing countries will be systematically deployed. In the upcoming year, IDLO will seek to maximize the programs it delivers.
14. IDLO's Strategic Plan and its vision of law and development have been well received by counterparts in national governments (both beneficiary and donor), international organizations and non-governmental organizations, as well as academia. In the past year, IDLO has received more requests for assistance than ever before. However, the Organization has only been able to respond to approximately one in ten of these worthwhile requests due to a lack of funding. In almost all of these cases, IDLO is capable of providing the assistance requested using in-house expertise combined with project-specific backstopping from its current regional and program offices. How the rule of law landscape and IDLO's role within it has transformed over the past year is highlighted in the Section titled *Progress on the Implementation of the Strategic Plan (2009-2012)*.
15. 2009 was the first year of implementation of IDLO's Strategic Plan (2009-2012) and the first year that IDLO had an annual Management Plan to guide operational and management activities. It was a year of transition, during which IDLO reorganized and reinforced its capabilities to effectively deliver on its strategy and took large steps forward in its quest for global recognition as the thought leader, advisor and technical assistance provider of choice at the nexus of law and development. The Section *2009 Program of Work Accomplishments* reviews how IDLO has touched the lives of individual beneficiaries and strengthened legal capacity in different situations and contexts through projects under each of its five Strategic Objectives. The Section *Management Objectives and 2010 Priorities* gives an assessment of progress made in 2009 across the eight agreed Management Objectives.
16. With the basic building blocks called for in the 2009 Management Plan in place, IDLO has an increasingly comfortable platform to further develop the Organization's capabilities. This 2010 Management Plan is an outcome of a collaborative process involving an extended management team who are fully engaged in the future strategic direction and management effectiveness of the Organization.

Overarching Themes of 2010 Management Plan

17. Three themes will define the focus of IDLO's 2010 Management Plan to improve the Organization's capability to better respond to the growing demand for its services and deliver on its mission. These themes are: Excellence in Delivery; Strengthening IDLO's Reputation; and Stabilizing Finances.

Excellence in Delivery

18. IDLO uses its combined expertise in law and development to promote rule of law and work with national counterparts to advance economic and social opportunity for those most in need. IDLO is uniquely positioned to facilitate change for several reasons: because it has direct access to government leaders, institutions and multilateral aid organizations; because it has the ability to bring together those with differing ideologies to help craft solutions that generate broad support; and because IDLO's comprehensive approach achieves enduring results by mobilizing stakeholders at all levels of society to drive institutional change.
19. Moving forward, IDLO will continue to sharpen its ability to deliver more effective and more efficient responses to the needs of its beneficiaries. In practice, this means assessing the opportunities to provide assistance, development context and related legal issues more accurately, defining and delivering programs to address the most critical needs in a timely manner, and strengthening the Organization's capacity to track and learn from the results generated through IDLO interventions through its dedicated evaluation function.
20. In 2009, IDLO put in place a new organizational structure that aligned the Organization's capabilities to more effectively implement the Strategic Plan and deliver results to beneficiaries. This included repositioning existing staff in new and challenging positions and bringing in new senior talent to reinforce IDLO's team of professionals. In addition, IDLO further embedded Results Based Management approaches within its program and management processes.
21. With these core foundations in place, in 2010 IDLO will continue to enhance its work processes and build further efficiencies across the entire project cycle. IDLO will apply its results framework to all new and existing projects, initiate a business process review of core program and support processes and further define its model for capacity development of national partners. In addition, special attention will be given to revisiting core values of the organization, promoting a culture of service orientation (both for external and internal stakeholders) and encouraging a spirit of innovation to continuously improve the quality and impact of IDLO programs.

Strengthening IDLO's Reputation

22. IDLO has built a reputation for quality in both knowledge and program delivery in the field of rule of law. The success IDLO achieves on behalf of its beneficiaries, donors and partners derives from three key attributes:
 - its **access** to leaders of diverse groups;
 - the **trust** it engenders, enabling it to bring those of differing ideologies together; and
 - the **results** it produces.

23. Strengthening IDLO's reputation is a determinant of success, and this is achieved as a result of day-to-day interactions between IDLO's legal experts as ambassadors of the Organization, and its stakeholders, both in person and using interactive communication technologies.
24. Building global recognition is critical to IDLO moving forward. Continuing to strengthen IDLO's credibility and reputation among beneficiaries, partners, advocates and leaders will determine its prospects for cooperation and success in all aspects of programming, and in its quest to become an influential thought leader. As donors move towards funding fewer providers to carry out larger projects, increased visibility for IDLO will also translate into greater opportunities for financial support.

Stabilizing Finances

25. Highly unpredictable revenue streams are a significant, defining weakness of IDLO's funding model and a major bottleneck in taking IDLO's growth and development forward. IDLO's funding sources are twofold: unrestricted contributions and recoveries from programs. Today, IDLO has no guaranteed income other than one statutory annual contribution.
26. The current funding model is not sustainable. It does not provide sufficient predictability to allow appropriate annual and multi-year planning to achieve the targets of the Strategic Plan, nor does it accommodate the resource demands of the Organization's new governance structure. In 2010, IDLO will assess the risks this funding model presents to the Organization (as part of a broader risk review) and engage its Member Parties to explore the feasibility of new, more robust, predictable funding models.



Progress on Implementation of the Strategic Plan (2009-2012)

Responding to a Changing Landscape

27. In 2009, IDLO has seen an increase across the international development arena of the importance placed on law and development related issues. National and international actors are placing more emphasis on integrating explicit judicial and legal reform strategies into national development plans, and the role of rule of law in peacebuilding is becoming recognized as more central. The issue of legal empowerment and its ability to influence the economic and social development of vulnerable and excluded populations is present in international dialogues. More and more developing countries are facing practical legal challenges resulting from current global threats. Notwithstanding or, as a result of the worldwide financial crisis, new areas of opportunity for leveraging legal expertise to aid development have surfaced -- in particular involving regulatory reform and investment.
28. The international community continues to advance the principles of donor harmonization and national ownership mandated by the Paris Declaration. This has validated IDLO's focus on programming in line with national development strategies and frameworks, articulated in the Strategic Plan (2009 – 2012). IDLO's strategic decision to explicitly extend its program work under Strategic Objective One to include support for peacebuilding planning, design and implementation has been validated in 2009. Rule of law continues to be a major focus for peacebuilding actors, highlighted in the strategic plans approved by the UN Peacebuilding Commission in 2009. The recently released "Report of the Secretary-General on peacebuilding in the immediate aftermath of conflict" underscored the need to make security and basic law and order a priority in peacebuilding activities.
29. The legal empowerment agenda has also been a topic of interest in 2009. IDLO's thought leadership in this area has been recognized on several occasions. IDLO's Director General has been invited to contribute to discussions on legal empowerment of the poor, which is planned as the focus of the European Development Days conference on 22-24 October 2009, hosted by the Swedish Presidency of the European Union. In addition, the UN Secretary-General's report on legal empowerment submitted to the General Assembly in September 2009¹ highlights the extensive legal empowerment activities by UN agencies in cooperation with organizations such as IDLO. These developments underscore the vital interest of the international community on this topic and support IDLO's decision to make legal empowerment a Strategic Objective.
30. Both climate change and food security are global challenges that threaten many countries' development strategies and present new legal requirements for developing countries. The results of the Copenhagen Summit will condition the international community's response to climate change. In relation to food security, water supply, access to land for small holders and women farmers, private sector development, rural infrastructure, environmental sustainability, and measures to promote financial inclusion all need attention. IDLO will deploy

¹ A/64/133

its expertise to assist developing countries' in addressing such global challenges in 2010.

31. The need to boost regulatory reform in response to the financial crisis will remain a key priority for the foreseeable future. In developing countries, issues of improving overall financial supervision, developing credit reporting systems, and creating financial inclusion for those without access to traditional banking services are particularly relevant. The dramatic drop in foreign direct investment flows to developing countries will require corrective efforts. These realities suggest there will be new thematic network opportunities and timely research questions to explore in 2010 and beyond. IDLO is well positioned to respond to these demands under Strategic Objectives Four and Five of its Strategic Plan.
32. Overall, 2009 events and dialogue broadly validate the bold new strategic direction IDLO defined for itself under its new Strategic Plan (2009-2012). In 2010, IDLO will continue to learn about how best it can build and deploy its legal expertise to maximize positive law and development outcomes.



2009 Program of Work Accomplishments

Context

33. IDLO pursues its strategic objectives by treating rule of law not as a matter confined to judiciaries or law enforcement, but instead, as an essential component of development in all its aspects. While IDLO's knowledge on how best to engage multiple stakeholders in building just societies has grown, so too have the challenges that countries face. To address them, IDLO approaches legal reform in a comprehensive way. Its five Strategic Objectives focus its work on the intersection of law and development to create positive, sustainable development outcomes.
34. 2009 has been a year of significant transition and learning for IDLO, and it has also been a year of significant changes in the state of rule of law in IDLO's beneficiary countries. In 2009, many fundamentals for supporting IDLO's program work needed to be put in place to ensure all staff was trained and capable of beginning to implement IDLO's new Strategic Plan. IDLO also used 2009 as a year to further adopt Results Based Management and to begin testing and validating how each Strategic Objective outlined in the new Strategic Plan works in practice.
35. In order to develop IDLO's 2010 Management Plan, IDLO senior management has had the opportunity to review progress to date across IDLO's 2009 Program of Work. This review was conducted using the goals and targets set out in the 2009 Management Plan as a guide. The following section provides highlights of the most significant accomplishments and learning IDLO has generated across the 2009 Program Portfolio as a whole, as well as for each Strategic Objective. This annual review of IDLO's Program of Work accomplishments and results will take a new form next year -- IDLO's first Annual Performance Review.²

Program Portfolio Accomplishments

36. One of IDLO's priorities in 2009 has been to develop a detailed Results Framework for each of the organization's Strategic Objectives. This framework will guide IDLO staff in the program design and development process, and provide specific performance indicators against which IDLO can report program results for each of IDLO's five Strategic Objectives.
37. In 2009, attention has also been given to aligning significant 'legacy' projects (such as IDLO's Afghanistan, Kyrgyzstan and Microfinance programs) to IDLO's new Strategic Objectives, and to anchoring all newly-designed programs in the Strategic Objectives. This increase in the Organization's capacity, to better design programs in line with the Strategic Objectives has been achieved by introducing standardized program design and management tools and providing more rigor in the programming process. Attention has also been given to

² It should be noted that IDLO's first Annual Performance Review summarizing the results of IDLO's 2010 Program of Work will not be published until Q2 2011. This timing is necessary if results for the entire calendar year are to be included in the analysis.

including monitoring and evaluation components and corresponding budgets in all new programs, to ensure the tracking and measurement of results and to facilitate learning.

38. While working with the Strategic Objectives in 2009, it has become clear that most IDLO programs will contribute to multiple Strategic Objectives. As a result, during program design IDLO has introduced the practice of weighing the contribution that it expects each program to make to each Strategic Objective. The Results Framework that will be finalized by the end of 2009 will provide clearer criteria to guide staff in attributing projects to different Strategic Objectives. This attribution by Strategic Objective can then be updated during program implementation, providing the organization with a constant overview of the distribution of program activities across its Strategic Objectives.
39. IDLO has also enhanced its capacity to learn by building a more rigorous in-house evaluation function during 2009. Evaluation insights generated in 2009 demonstrate how this rigorous function will support the continuous improvement of IDLO's programming and contribute to the broader body of knowledge IDLO develops regarding the rule of law and development. For example, IDLO evaluations revealed both the need for more rigorous, holistic needs assessments, with significant stakeholder participation to ensure buy-in to the eventual IDLO program and the importance of giving more attention to sustainability at the design phase of programming to encourage local ownership and build the capacity of program beneficiaries to transfer the knowledge they acquire. IDLO evaluations also found that in the justice sector, addressing not only the 'supply' side of improving the quality of justice delivery but also the 'demand' side involving both the immediate users of those services and the broader public is critical for effective rule of law programming.

Beneficiaries

40. As part of IDLO's Strategic Plan (2009-2012), IDLO outlined its understanding of how legal change occurs at multiple levels in society. National legal and judicial institutions, individual legal professionals, vulnerable populations, local non-governmental and community based organizations, and public and private stakeholders all play a role.
41. IDLO's beneficiary reach in 2009 reflects this understanding. At a minimum, ~5-6,000 beneficiaries will be reached by IDLO through technical assistance, policy dialogues, research and publications, and global network programming. Through IDLO's training activities alone, 1,725 individual professionals and 282 institutions, including government institutions, civil society, private sector, academia and international organizations, will have benefited from IDLO's knowledge and expertise in 2009.

Some program highlights from 2009 include:

- IDLO's instrumental role in Ethiopia in the development of the Human Rights Mediation Center within the national Human Rights Commission. IDLO alumni in the country requested the Organization's assistance; largely due to the trust opposing factions in the country have in IDLO's neutrality.

- Maturation of the IDLO-supported Independent National Legal Training Center in Afghanistan which is now managed entirely by Afghan staff. Receiving support from the Afghan national budget, it began operations this year with a training program for lawyers and prosecutors.
- Building the capacity of judges and attorneys to address the blend of customary and common law applicable in southern Sudan. IDLO was chosen over other agencies offering assistance because it was perceived as an impartial advisor on the process.
- Finally, IDLO's microfinance program has generated a network of more than 350 legal and regulatory microfinance professionals who use this forum to exchange information relating to more inclusive financial services for the poor.

These are just a few examples of how IDLO has helped to advance rule of law and change the lives of those in need in 2009.

2009 Program of Work Across Strategic Objectives

42. In the 2009 Management Plan, IDLO projected a distribution of the 2009 Program of Work across specific Strategic Objectives that reflected the historic strengths of the Organization, as well as areas where IDLO felt it was strategic to invest in strengthening program capacity. This *anticipated* proportion of the 2009 Program of Work by Strategic Objective, as stated in the 2009 Management Plan, is noted in the table below. In addition, the *actual* proportion of the 2009 Program of Work is included in the final column³. The percentages of the actual distribution of the 2009 Program of Work have been calculated using the financial value of IDLO's programs as the base unit⁴.

| Strategic Objective | Proportion of 2009 Program of Work Anticipated | Actual Proportion of 2009 Program of Work Achieved |
|-------------------------------------|--|--|
| 1. National Strategies & Frameworks | 40-50% | 54% |
| 2. Legal Empowerment | 20-30% | 23% |
| 3. Global Challenges | 20-30% | 3% |
| 4. Networks | 5-10% | 4% |
| 5. Knowledge Generation | 5-10% | 16% |

43. Consistent with the 2009 Management Plan projections, IDLO's programming under Strategic Objective One: *National Strategies & Frameworks* accounts for the largest portion of IDLO's actual 2009 program portfolio. The provision of this type of technical assistance aligns with IDLO's historic strengths and

³ The actual proportion of work calculation is based on actual implementation until the end of July 2009 and projected implementation until the end of 2009.

⁴ In the future IDLO may also want to analyze the distribution of IDLO's annual Program of Work across Strategic Objectives using the number of activities as a base, to complement analysis based on the financial value of programs.

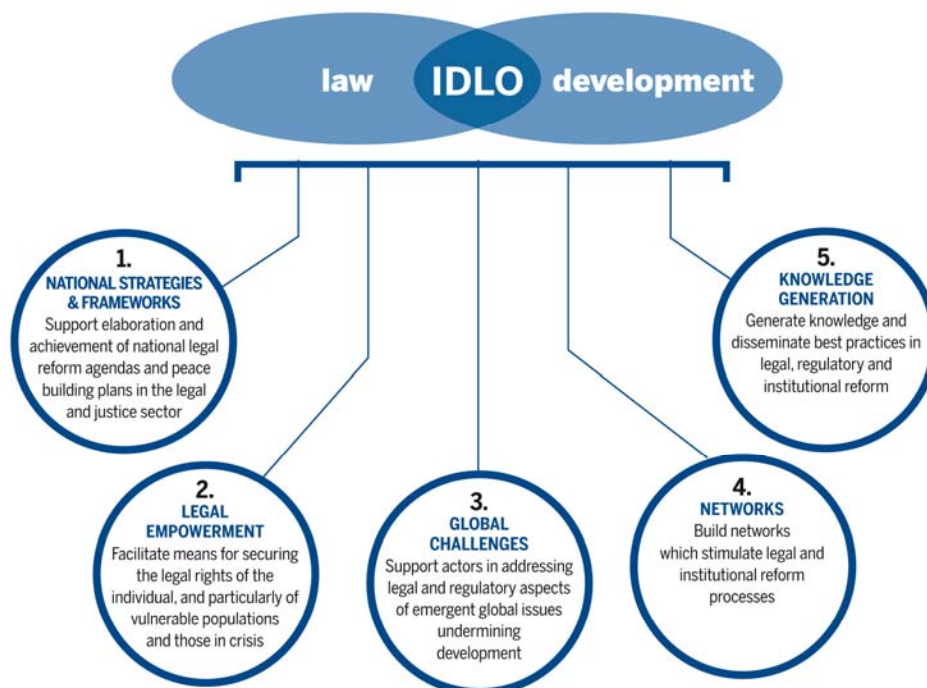
- competencies, as well as with expectations under the Paris Declaration on Aid Effectiveness.
44. Programming contributing to Strategic Objective Two: *Legal Empowerment* was the second largest portion of IDLO's actual 2009 portfolio. This performance is also consistent with 2009 Management Plan projections and confirms that working on Legal Empowerment is a potentially high impact area for IDLO in the future.
 45. The actual proportion of 2009 programs contributing towards Strategic Objective Three: *Global Challenges* was lower than projected. This difference between projected and actual figures was driven by several factors. A number of the activities under IDLO's HIV program evolved to be more in line with Strategic Objective Two: *Legal Empowerment*, than the originally anticipated Strategic Objective Three: *Global Challenges*. In addition, program staff have learned that project development under Strategic Objective Three may require longer development and lead time, relative to IDLO's other Strategic Objectives, given the scope of the problems to be addressed.
 46. The volume of work under Strategic Objective Four: *Networks* was slightly lower than projected in the 2009 Management Plan. IDLO's microfinance network was very active in 2009. In addition, numerous activities were carried out by IDLO's Alumni Associations that strengthened the foundations for IDLO's strategic networks, however these alumni activities were often small in financial terms. Finally, the delay in the development of IDLO's information technology platform has resulted in the planned pilot and launch of IDLO's on-line network activities being carried forward to IDLO's 2010 Program of Work.
 47. Finally, actual programming under Strategic Objective Five: *Knowledge Generation* exceeded projections by over 5% to be the third most significant contributor to IDLO's 2009 Program of Work. This was largely due to the contribution from the Bill & Melinda Gates Foundation (the "Gates Foundation") for the Legal Empowerment Research Program. This stronger than projected performance confirms the central role that knowledge can play in extending IDLO's reach and solidifying IDLO's position as the leader on law and development issues.

Program Streams & Themes

48. As part of IDLO's Strategic Plan (2009-2012), IDLO defined three primary *program streams*: Economic Growth & Trade, Social Development and Institutional Development. IDLO also identified a range of *program themes* in each of these three areas (such as Trade law, Investment law, Microfinance, Environmental and Natural Resources law, Health law, etc.), themes within which IDLO believes there are the most significant legal issues impacting the achievement of development objectives.
49. Two cross-cutting themes were also identified at this time: Gender and Human Rights. In 2009, IDLO started to develop a strategy aimed at mainstreaming Human Rights and Gender components into its program selection, design, implementation monitoring and evaluation processes.

Geographical Presence

50. As planned, IDLO's 2009 Program of Work included project or network activities across all of the regions where the Organization has historically had reach. The 2009 Management Plan also outlined IDLO's commitment to give special attention to programming in sub-Saharan Africa. In line with this commitment, 30 percent of IDLO's programming in 2009 was related to sub-Sahara Africa.
51. IDLO received sufficient funding during 2009 to continue to operate its project offices in Banda Aceh, Bishkek, Juba and Kabul, and IDLO may further expand its presence in Afghanistan at the request of local authorities before the end of 2009. IDLO also reviewed the feasibility of establishing programming offices in Francophone Africa and South-East Africa during 2009. At present, a small project-based office is being contemplated for Nairobi, Kenya, and IDLO is considering establishing a program presence in Addis Abeba by the end of 2009, in support of newly confirmed projects with the Human Rights Commission of Ethiopia and other programs under development.
52. In light of developing partnerships with other multinational organizations (including the United National Peacebuilding Commission and the Bureau of Crisis Prevention and Recovery of the UNDP) and closer cooperation with several of its bilateral donors, IDLO has decided to review and update its regional strategy and priority countries for programming during the last quarter of 2009. Overlaying IDLO's traditional areas of activity and strategic priorities with each of the lists of priority countries that these country donors and partner organizations has, will result in a more robust new regional strategy, as well as a more harmonized list of priority countries by the end of 2009.



2009 Performance Highlights by Strategic Objective

53. In the 2009 Management Plan, IDLO outlined a set of preliminary targets for each of its five new Strategic Objectives, as a means for measuring the Organization's progress during year one of the Strategic Plan (2009-2012). These "preliminary" targets (see Annex 1) were understood to be a *one-time guide* for gauging program performance, given that a detailed Results Framework with specific performance indicators for each Strategic Objective would be developed during 2009.
54. The most significant achievements under each Strategic Objective during 2009 are highlighted below. These highlights include references to some of the preliminary targets outlined in the 2009 Management Plan, but are not limited to these targets, as in many cases other achievements were realized during the course of 2009 that better demonstrate IDLO's progress against each Strategic Objective.

Strategic Objective One: *National Strategies & Frameworks*

55. IDLO has made significant progress under Strategic Objective One in 2009. As targeted, IDLO provided implementation support in four countries and participated in strategy design activities in two countries. The principal programs contributing to Strategic Objective One in 2009 were: Afghanistan; Central Africa Republic; Ethiopia; Guinea Bissau; Indonesia; Kenya; Kyrgyzstan; southern Sudan and Zambia.
56. 2009 marked the inception of the implementation of IDLO's new Afghanistan Program, which is built on the results of an extensive evaluation and collaborative needs assessment. The three year program is firmly anchored in Afghanistan's National Development Strategy and Justice & Rule of Law Sector Strategy. In 2009, IDLO has helped provide a sustainable Afghan solution to capacity building in the justice sector. IDLO supported the development of an Afghan training team at the Ministry of Justice and assisted the Independent National Legal Training Center in launching its first standard legal training course for new prosecutors and government lawyers. IDLO also collaborated with the Supreme Court in improving the fairness and efficiency of trials, by developing a benchbook and providing training for all family law courts.
57. In Kyrgyzstan, IDLO and the European Bank for Reconstruction and Development (EBRD) are working with the Judicial Training Center to develop a local training model and curriculum in order to play a greater role in developing the capacity of Kyrgyz judges. The focus of IDLO's support in Kyrgyzstan in 2009 was in the area of commercial law. Sitting and newly appointed judges received in-service training on commercial law, a Kyrgyz Commercial Law benchbook was developed and distributed across the country, and a Commercial Law Library was enhanced through IDLO support. A rigorous evaluation in 2009 resulted in a number of programming recommendations to guide the development of the next phase of IDLO's work in Kyrgyzstan, scheduled to commence in January 2010.
58. 2009 also saw the increase in IDLO's activities in southern Sudan, under Strategic Objective One. A joint assessment was completed with justices from the Supreme Court to inform the design of a judicial capacity building program for the judiciary of southern Sudan. IDLO has also formed a working group with key stakeholders to drive the creation of a Legal Training Institute capable of

raising the capacity and skills of all new legal professionals in southern Sudan to a uniform standard.

59. In support of the Supreme Court of Indonesia's 'Blue Print for Reform', IDLO also continued delivering programs in Aceh in 2009 under Strategic Objective One. IDLO interventions helped to improve judicial efficiency and judges' adherence to standards of conduct and transparency. In Mauritania, IDLO has renewed its partnership with the Ministry of Justice and has established a new collaboration agreement with the Human Rights Commissariat to build the capacities of judges in respect of Human Rights in the Criminal Process.
60. In 2009, IDLO also had the opportunity to work alongside development partners during the drafting and assessment of national rule of law priorities. This is a relatively new area of contribution for IDLO, identified during the strategic planning process in 2008, where IDLO expertise is offered in support of design activities related to national strategies and frameworks. In 2009, IDLO was asked to advise the Committee of Experts on Constitutional Review in Kenya and initiated collaboration with the United Nations Peacebuilding Commission by participating in an interagency assessment mission to Guinea Bissau.
61. Finally, through IDLO's launch of a new Program of Aid for Trade in Africa funded by the Government of Finland, IDLO will have the opportunity to further build the organization's implementation experience under Strategic Objective One in the areas of investment, intellectual property, Economic Partnership Agreements (EPAs), and agriculture. At present, Zambia is the main beneficiary of this program. Other countries that will benefit from individual components of the overall program include Ethiopia, Namibia and Mozambique.

Strategic Objective Two: *Legal Empowerment*

62. A significant amount of IDLO's program implementation under Strategic Objective Two was provided through IDLO's HIV program. IDLO's microfinance program, as well as programs in Afghanistan, Indonesia, and a new program on mediation in the context of Human Rights commencing in Ethiopia, are also contributors to IDLO's Legal Empowerment achievements in 2009.
63. Regarding IDLO's HIV program, country level initiatives on providing legal services to people with HIV and other key populations in China, Benin, Burkina Faso, Egypt, Indonesia, and Papua New Guinea will all be underway by the end of 2009. These programs will demonstrate how legal services can contribute to HIV prevention and increase access to care, treatment and support. They also show how the provision of legal services empowers disadvantaged populations by reaffirming the fundamental rights of all persons.
64. IDLO's 2009 microfinance program activities focused on utilizing national legal and regulatory frameworks to build inclusive financial sectors and the role of legal professionals in advising the sector. IDLO activities in microfinance from 2005 to today have contributed to IDLO becoming a recognized authority on microfinance legal and regulatory issues. Central Bank authorities in the Philippines and Samoa, as well as Ministry of Planning officials in Jordan, have all recently recognized IDLO's contributions to this field and engaged in dialogue with the Organization regarding effective regulation of microfinance activities. A microfinance evaluation will be completed before the end of 2009 to inform implementation of the proposed next phase of IDLO's microfinance program in 2010.

65. During 2009, IDLO has also added to its understanding of the value of creating or sustaining national legal service organizations and the use of public awareness activities as components of legal empowerment programs. In Afghanistan, IDLO helped to improve access to justice by supporting the Legal Aid Organization of Afghanistan, which provides legal representation for approximately 100 cases per month. Amongst these cases was the successful reversal of a death sentence of a student accused of blasphemy for downloading material related to women's rights from the internet. In Aceh, IDLO learned that when aiming to increase awareness among rural populations, it is not sufficient to target only those who need to be informed (e.g. women), but that a larger cross section must be targeted in order to hold leaders accountable and create strong demand.
66. Finally, the award of several grants (United Nations Democracy Fund and IrishAid) for work with the Ethiopian Human Rights Commission will allow the inception of another substantial program under Strategic Objective Two before the end of 2009.

Strategic Objective Three: *Global Challenges*

67. IDLO has moved forward on its understanding of how it can provide value-added contributions to a range of global issues, including HIV, climate change, and food and water security.
68. In 2009, program implementation experience on global challenges has been gained primarily under IDLO's HIV program through capacity building and advocacy at global and regional levels, as well as the launch of a new program on Strengthening Capacity on Human Rights and Environment among High-Level Decision Makers in Viet Nam, funded by IrishAid. IDLO's work on HIV has also provided valuable insights into the importance of developing partnerships when tackling global issues.
69. Program development efforts under Strategic Objective Three are also beginning to generate tangible results. For example, IDLO has launched significant work in Indonesia under the United Nations REDD-Readiness program to avoid deforestation, which can be replicated in other developing nations seeking to reduce deforestation while gaining access to the international financial mechanisms created to support adaptation to climate change.

Strategic Objective Four: *Networks*

70. During 2009 IDLO has advanced its understanding of the appropriate business model for building its strategic network capacity and put many fundamentals in place that can be capitalized on in 2010, including crafting a network strategy based on global mapping of law related networks and surveying the needs of the IDLO alumni. In 2009 IDLO strengthened select Alumni Associations from the existing 44 by providing substantive and financial support for local programming activities that meet the specific needs of local communities. These projects varied from half day seminars on climate change in the Democratic Republic of the Congo to capacity building programs on infrastructure in Sri Lanka. Learning from these local programs will eventually feed into future network activities.
71. Learning was also gathered from the existing microfinance law network, where a strong community of professionals (many of whom are IDLO alumni) with established knowledge exchange practices was already in place. In addition, significant focus was placed on developing future network partnerships, including AIDSLEX for the HIV network, which is expected to be piloted in 2010.

Strategic Objective Five: Knowledge Generation

72. 2009 has been a strong year for Knowledge Generation at IDLO. IDLO has successfully implemented the first year of a comprehensive research program on experience in legal empowerment programming, funded by the Gates Foundation. This research program has a special focus on gender and human rights, and it has demonstrated the link between knowledge generation and program quality and innovation. The insights generated will aid IDLO staff during program design in 2010. Attention was also given this year to developing a monitoring and evaluation approach suitable to measuring the 'up stream' outcomes of research activities.
73. IDLO completed two evaluations during 2009 for projects in Indonesia (Aceh) and Kyrgyzstan. IDLO has begun to codify the best practices and lessons learned during each evaluation, and IDLO is systematically sharing these insights with program staff and other stakeholders. In addition to publishing all IDLO Evaluation Reports on IDLO's intranet, the practice of preparing management responses to each evaluation and hosting internal learning roundtables has been instituted. An evaluation of IDLO's microfinance project is currently underway and the results will be available in early 2010. Evaluation results in 2009 validated IDLO expectations that the learning generated from evaluation exercises will produce lessons of *internal* value related to programming, and also to a wider *external* audience in terms of measuring capacity development in legal reform.
74. IDLO has also generated new insights to contribute to the global knowledge base on rule of law and development. Most notably, significant research was conducted on Justice Sector sector-wide approaches and additional information on the various countries that have sector strategies related to legal and institutional reform has been continuously added to IDLO's Rule of Law Development Directory throughout 2009.
75. In 2009, IDLO also expanded its research with the World Economic Forum Partnering Against Corruption Initiative and the Basel Institute of Governance on public and private cooperation for anti-corruption. IDLO will present initial results of the research to the Committee of State Parties for the UN Convention on Corruption in Doha, Qatar in November.
76. IDLO is using the results of its research activities to help advance Management Objective Seven: *Partnerships* and to raise IDLO's exposure in international forums. Experience has shown that cooperation with counterpart organizations, particularly within the United Nations, is facilitated by sharing knowledge generated through research. In addition, IDLO is able to draw from its research findings to provide substantive contributions to international forums, including United Nations, academic, and World Economic Forum events.

2010 Program of Work

Programming Outlook for 2010

77. 2010 is expected to be a critical program development year for IDLO. IDLO has brought on board a new Director of Programs Management and the managers of each of IDLO's program streams (Economic, Social and Institutional Development) will be in place by Q1 2010. As a result, IDLO will now have the right program management team to systematically build program development strategies and capacity – by Strategic Objective, by program theme, and by region. In 2010, IDLO will seek to maximize program delivery.
78. 2010 will also be a year where IDLO focuses on excellence in delivery, in order to build the capacities of the organization's newly expanded program team to more effectively design and implement the increased volume of program activity anticipated for 2011, as a result of successful program development efforts in 2010.
79. 2010 will also be a year for furthering the Organization's understanding of *how* and *when* IDLO can successfully create change under each Strategic Objective. To facilitate this learning, IDLO will roll out its new Results Framework, and continue to adopt the new project design and monitoring processes and tools introduced in 2009. This day to day experience of applying new results based program processes and tools will help all staff to test and validate IDLO's Strategic Objectives at the project level.
80. More rigorous development of unit work plans and individual performance objectives aligned to IDLO's Strategic and Management Objectives will be a priority in 2010, to ensure that staff capacity to program and manage for results continues to strengthen.

Reaching Beneficiaries

81. In 2010, IDLO expects to continue to expand its reach and its capacity to facilitate advancements in rule of law. This will be accomplished by continuing to leverage a range of modalities for stimulating legal reform within countries, including: direct program delivery in collaboration with a wide range of institutions, community based organizations and individual legal reform actors; proactively influencing other development organizations on their approaches to rule of law programming; enhancing peacebuilding efforts; leveraging IDLO's networks; and proactively sharing IDLO's growing knowledge base.
82. In 2010 IDLO will continue to implement programs assisting the development and implementation of national plans and strategies under Strategic Objective One. This is the most direct way to offer support to national governments, Ministries of Justice and individual professionals driving systematic legal reform efforts in their countries. Building on lessons from post conflict reconstruction, IDLO will also contribute to peacebuilding efforts by assisting international and regional actors to develop legal frameworks for early warning reviews to avert potential conflicts, peace support interventions, and post conflict restructuring

and development. Activities will include assisting organizations like the African Union and UNDP to integrate IDLO value added services into the process of peacebuilding.

83. Consistent with Strategic Objective Two, IDLO will also continue assisting legal services organizations and expand the support provided to civil society organizations that serve poor and excluded people directly. IDLO will also enhance the services it offers to individuals and institutions by further developing its capacity building tools and support, using the organization's strong track record in legal training and technical assistance as a platform and by revising its capacity development model.
84. In 2010 IDLO will proactively seek to influence other larger development actors, thereby increasing the impact and reach of IDLO's knowledge and experience. Examples of this are the provision of assistance in the areas of needs assessment, project planning and staff training to other international organizations such as the UN Secretariat and UNDP. This approach to reaching beneficiaries will also be particularly relevant for programs under Strategic Objective Three, where IDLO partners with other institutions to tackle pressing global challenges.
85. One of the most powerful ways IDLO can extend its reach in 2010 is by prioritizing activities under Strategic Objective Four. Focus will be placed on substantially increasing the Organization's ability to effectively channel its knowledge and program experience through its networks. This will be further enabled by the continued expansion of the volume and type of knowledge generated by the organization through its research and evaluation activities under Strategic Objective Five, continuing to leverage the contributions of IDLO's Alumni Associations, as well as by placing priority on the explicit integration of network and knowledge generation activities into all program design in 2010.

Prioritization across Strategic Objectives

86. IDLO's Program of Work for 2010 builds on the implementation experience and learning IDLO has gained during its first "transition year" of implementing the Strategic Plan. When IDLO developed the 2009 Management Plan, many of the details of how the Strategic Objectives would map onto the existing and anticipated program themes were unclear. In addition, many 2009 programs had been designed before the Strategic Plan had been approved, and needed to be re-aligned in terms of their contribution to individual Strategic Objectives. The projected distribution of IDLO's 2009 program of work across the Strategic Objectives was based on management's best estimate, at the time, of which Strategic Objectives IDLO was poised to deliver on in year one of the new Strategic Plan.
87. In developing the 2010 forecast for IDLO's Program of Work, the organization finds itself in a much stronger position. A systematic review of actual program implementation in 2009, by Strategic Objective, was conducted. In addition, the distribution, by Strategic Objective, within IDLO's current pipeline of confirmed and potential programs for 2010, was also reviewed. This portfolio review provided *actual program data* upon which IDLO management could base the 2010 Program of Work forecast, in combination with considerations such as anticipated donor interest, trends in the external environment, existing

organizational capabilities, and strategic opportunities. The anticipated distribution of IDLO's program of work, across Strategic Objectives, for 2010, is summarized in the table below:

| Strategic Objective | Percent of 2010 Program of Work |
|-------------------------------------|---------------------------------|
| 1. National Strategies & Frameworks | 40-50% |
| 2. Legal Empowerment | 20-25% |
| 3. Global Challenges | 5-10% |
| 4. Networks | 10-15% |
| 5. Knowledge Generation | 20-25% |

88. In 2010, IDLO will continue to make **Strategic Objective One: *National Strategies and Frameworks***, a dominant priority with 40-50% of the Program of Work implemented under this Strategic Objective. IDLO arrived at this priority based on the understanding that development and rule of law requires societal demand alongside government ownership and buy-in. National strategies relating to rule of law concerns can be important vehicles for mobilizing and channeling societal demand for legal reform. Trends in the rule of law field during 2009 suggest continued validity of the Paris Declaration and Accra Agenda (emphasizing donor harmonization and national ownership). As a result, a greater awareness among development practitioners and donors is developing regarding the centrality of national strategies as a tool for advancing rule of law at the country level.
89. IDLO will also work towards tightening the link between its program activities and national strategies in all countries where it operates in 2010, and explicitly take stock of its experience in assisting in the implementation of national strategies. A significant amount of IDLO's effort under this Strategic Objective is also anticipated to be through assisting countries emerging from conflict in developing and implementing national peacebuilding and development strategies. IDLO anticipates strong donor support for work under Strategic Objective One throughout 2010, as already evidenced by existing commitments to continuing programs in Afghanistan and South Sudan.
90. IDLO will also continue to give significant emphasis to **Strategic Objective Two: *Legal Empowerment*** in 2010. It is expected that activities under Strategic Objective Two will constitute 20-25% of the Program of Work. This emphasis is justified because of the increasing centrality of legal empowerment in the process through which rule of law develops. It also reflects IDLO's understanding that legal empowerment can help shape national strategies for legal reform by creating demand and identifying weaknesses in legal systems. During 2009, IDLO has learned that opportunities to advance legal empowerment are present in almost all of IDLO's thematic program areas. In 2010, continued implementation of IDLO's Gates-funded research program and IDLO's HIV program are expected to be the flagship programs under this Strategic Objective, along with a new program with the Ethiopian Human Rights Commission. IDLO will also be looking to expand opportunities to engage in legal empowerment programming through its partnership with UNDP's legal empowerment team. In addition, as part of the emphasis on program development in 2010, priority will be given to building IDLO's competencies around program themes relevant to

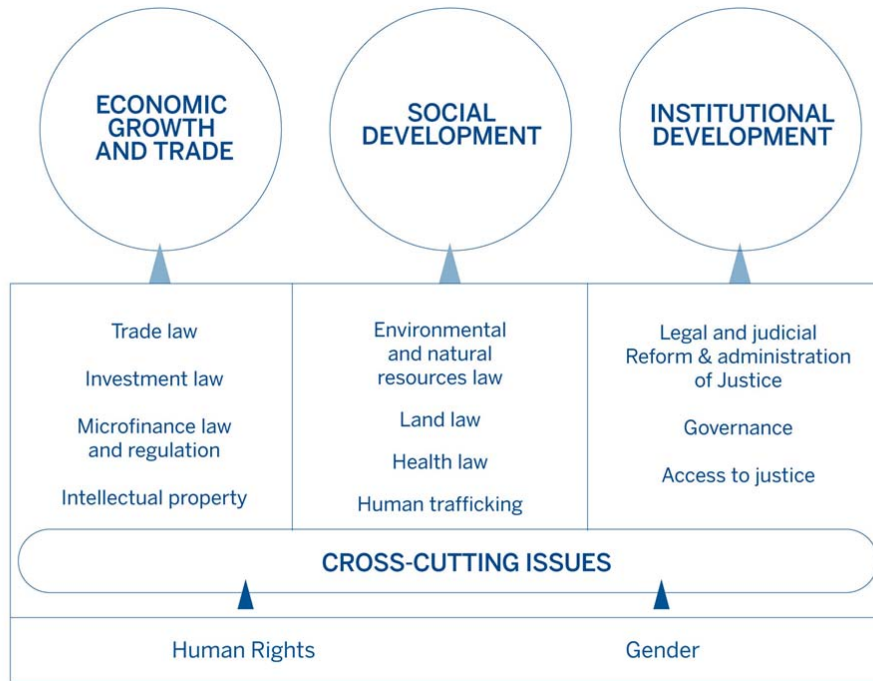
legal empowerment such as access to justice, land, human rights, and gender issues.

91. IDLO expects that 5-10% of its 2010 Program of Work will contribute to **Strategic Objective Three: *Global Challenges***. During 2009, IDLO has been able to refine its understanding of this Strategic Objective, in terms of its relationship with Strategic Objectives One and Two above, and in terms of how international policy or regulatory responses to global problems will drive the requirements developing countries must meet, and therefore, the support they may need from IDLO in order to confront these challenges. During 2009, further consensus has developed on the magnitude and nature of the challenge that climate change presents to humanity. It is also widely understood that climate change will disproportionately and negatively affect developing countries. As a result, climate change is the critical global challenge under Strategic Objective Three, on which IDLO plans to focus its program development activities and staff capacity development in 2010.
92. Program activities under **Strategic Objective Four: *Networks*** are expected to constitute 10-15% of IDLO's 2010 Program of Work. IDLO remains confident that networks will be the greatest tool for expanding the Organization's reach. IDLO will continue to build the infrastructure and staff capacity required to service these networks in 2010. IDLO will also focus on refining its network business model by piloting on-line communities of practice in microfinance and HIV, as well as launching "issues discussions" on key themes where IDLO has active staff, alumni and beneficiaries who are eager to exchange their expertise (e.g. intellectual property, investment, EPAs, etc). IDLO will also explore new ways of collaborating with its 44 Alumni Associations on programming and network activities. 2010 will be an important year to mobilize additional resources to support both the network function itself and the ability of staff to make regular contributions to network content.
93. Finally, 20-25% of the activities under the 2010 Program of Work are projected to contribute to **Strategic Objective Five: *Knowledge Generation***. This allocation reflects the sizeable resources made available for research activities through the Gates Foundation grant IDLO received in 2009, as well as the strategic opportunity that knowledge generation provides for IDLO. The knowledge generated through IDLO's 2009 evaluations has provided valuable insights into how IDLO can strengthen its internal program capacity. The knowledge IDLO plans to produce in 2010 is expected to continue to contribute directly to enhancing program quality at IDLO, and to raising IDLO's visibility among development and legal professionals. In addition to substantial research on legal empowerment, IDLO plans to conduct research on anti-corruption, investment law, and environmental law in 2010.

Program Streams & Themes

94. In 2010, IDLO will continue to deepen its in-house expertise across the full range of program themes that contribute to IDLO's contributions to Economic, Social and Institutional Development. IDLO will also make it a priority to continue developing organization-wide policies and specific program strategies for Human Rights and Gender, which will further define and drive the Organization's holistic approach to these cross-cutting issues. As IDLO's approach to Gender and

Human Rights evolves, it will also be fully integrated into IDLO's results based management tools and systems, including IDLO's Results Framework.



Geographical Presence

95. It is important for IDLO to ensure that, through its program of work, it reaches developing countries in all regions. Nevertheless, as a small organization, IDLO cannot be present in every developing country every year, and therefore, must identify geographical priorities in terms of program development and program implementation on an annual basis.
96. In 2010, IDLO expects that at least 30% of its programs will be implemented in Africa and another 30% in Central Asia. This expectation is based on the strategic choice made by the organization in 2009 to make sub-Saharan Africa a priority, as well as IDLO's large continuing programs in both of these regions.
97. IDLO will be targeting a 50% increase in the percentage of programs implemented in the Middle East and North Africa, as a result of the program development activities undertaken in 2009 and continuing in 2010. Approximately 10-15% of IDLO's Program of Work in 2010 is anticipated to be implemented in this region. In addition, IDLO will work to further solidify its presence and program contributions in Asia Pacific, targeting a 10% share of the 2010 Program of Work. Finally, approximately 10-15% of IDLO's programs are expected to be multi-regional in nature during 2010.
98. It should be noted that IDLO will continue to respond to demand for assistance in Eastern Europe and the former Soviet Union when program requests are aligned with IDLO's strategy and capabilities. In the context of IDLO's new Latin

American Initiative, IDLO will continue to strengthen institutional relationships and identify strategic programming opportunities available in Latin America and the Caribbean, in collaboration with new and potential member states from these areas.

Programmatic Adoption of the Strategic Plan

99. IDLO embarked on a significant transition in 2009, which has included the recruitment of a significant number of new program staff. These staff bring valuable new skills and experience to IDLO. They have also been selected based on their capability to rapidly internalize and contribute to the realization of IDLO's Strategic Plan and their commitment to IDLO's mandate and strategic vision. As planned, much of the groundwork has been laid in 2009 to take IDLO's programming functions to a new level in 2010. IDLO's expanded team will be continuing a significant and dynamic change process in 2010. They will be striving to identify new insights to inform how IDLO can best achieve its mandate and objectives outlined in the Strategic Plan during 2011 and 2012.



Program Performance

100. By the end of 2009, IDLO will have developed its Results Framework. This framework outlines output and outcome level indicators for each of IDLO's Strategic Objectives and will be a guide for future program design, as well as for measuring and reporting the performance of each IDLO project implemented during 2010. IDLO aims to operationalize the "Strategic Results Framework" by ensuring all programs monitor an appropriate set of indicators during 2010 implementation. IDLO further aims to consolidate the results generated by monitoring and evaluation activities in 2010 into an annual performance report on 2010 activities to be issued in 2011.

Management Objectives and 2010 Priorities

Overview of the Management Objectives

101. The purpose of IDLO's Management Objectives is to assist IDLO in strengthening its internal organizational capacity to deliver on its Strategic Plan (2009 – 2012). In 2009 IDLO identified eight aspects of its internal management and operations that will drive IDLO's ability to deliver results – each aspect became one of IDLO's eight Management Objectives.
102. In 2009, IDLO focused on making foundational investments that would be necessary to position IDLO for success during the lifetime of the Strategic Plan. A new organizational structure was finalized and a significant effort was undertaken to reposition existing staff, as well as to recruit the new talent required, in order to fulfill the objectives laid out in the Strategic Plan. Internal financial processes and systems were enhanced – a critical step to enabling IDLO's continued adoption of Results Based Management. In addition, new process and tools were introduced to ensure more systematic program design, monitoring and evaluation within IDLO's program portfolio.
103. In 2010, IDLO plans to build on these achievements and take IDLO's operations and program capacity to the next level. 2010 will be a program development year for IDLO in order to ensure the Organization can increase its ability to meet the growing demand for its services. To achieve this, IDLO has identified development priorities under each of its Management Objectives in line with the three themes of focus for 2010: Excellence in Delivery, Strengthening IDLO's Reputation and Stabilizing Finances.
104. Outlined below is a summary of IDLO's progress in 2009 on each of its eight Management Objectives, as well as a description of the priority activities that IDLO plans to undertake in 2010. An implementation timeline for these activities is included in Annex 2.

Management Objective One: Values

105. IDLO's first Management Objective is to focus on Values, to "Re-define IDLO values and guiding principles" in order to ensure these values are in line with the new Strategic Plan (2009 – 2012) and that all staff are living them on a daily basis.
106. 2009 Achievements: Initial progress has been made in 2009 on the priority to embed core organizational values such as orientation to service, performance, quality and accountability into IDLO staff trainings and operational processes. During 2009, IDLO has focused on reinforcing these values in all of its regular interactions with staff. Changes have also been gradually introduced into administrative processes to support Results Based Management, such as revising the budgeting approach to allow IDLO to more accurately measure the cost of its outputs, which will allow the organization to find cost efficiencies in the future. This will continue in 2010.

2010 Priorities: IDLO will conduct the staff-wide exercise on values in 2010, in order to allow for the complement of staff recruited in 2009 to participate. This exercise will ensure that IDLO's values are in line with the Strategic Plan, as well as with IDLO's Guiding Principles, Code of Conduct, and operating practices and that staff apply these values consistently in their daily work. The opportunity to reinforce IDLO's values through this exercise will contribute to a stronger staff understanding of the organization's brand, which will also enhance consistency of communications with external stakeholders.

107. IDLO will continue to focus on cultivating its staff orientation to providing top quality service in 2010. Further incorporating this principle of service, as it relates to all our stakeholders - beneficiaries, donors, internal IDLO units and partners included – will be a key component of moving ahead on Management Objective One.
108. In 2010, IDLO also plans to use the recently defined and adopted organization-wide core competencies (technical awareness; performance focus; measurements /outcomes; valuing people and partnerships; commitment to innovation and proactive management /leadership) and Performance Management Program, as a tool for reinforcing IDLO's values. The Performance Management Program will be further addressed in Management Objective Two: Performance. However, the link between this new system and IDLO's values is critical and will allow us to further connect individual accountabilities and goals to the broader vision and value statement of the organization.

Management Objective Two: Performance

109. IDLO's greatest asset is the legal expertise, development knowledge and hands-on implementation experience of its staff. IDLO's second Management Objective is to focus on Performance by making more systematic efforts to "Attract, develop and retain exceptional performers" throughout the lifetime of the Strategic Plan (2009 – 2012).
110. 2009 Achievements: In 2009, IDLO successfully completed its planned staff re-alignment exercise, repositioning each team member within the new organizational structure. This was preceded by a functional analysis to determine what capabilities and skills were needed to drive implementation of the Strategic Plan, and an inventory of staff skills and competencies undertaken in the fourth quarter of 2008. Staff members were re-positioned with the aim of optimizing the use of their individual capabilities towards the achievement of IDLO's goals, while also offering new professional development opportunities.
111. IDLO also substantially augmented its team in 2009. IDLO successfully recruited 14 new staff and an additional 14 staff positions were launched, many of which will close by the end of December 2009. This recruitment process has been a large scale effort, with over 5000 candidates reviewed to fill the 14 posts mentioned above. A very diligent and professional approach was taken to this task, including providing IDLO Managers with training on interviewing skills. This is an investment that IDLO expects will continue to return value to the organization during future recruitment processes.

112. In addition, IDLO has taken significant strides forward in 2009 on re-defining critical human resource programs and enabling improvements in staff contracts, which will play a key role in attracting, developing and maintaining talent at IDLO for the foreseeable future. By the end of the year, IDLO will have adopted an organization-wide performance management program and a structured professional development program for all staff. The opportunities these programs will generate for staff are noted in the 2010 priorities. A key step in improving the terms of employment for IDLO staff, was submitting an application to join the United Nations Joint Staff Pension Fund (UNJSPF) in July 2009. A vote is expected to be taken on this application in July 2010. If IDLO's application to the UNJSPF is successful, it will enable IDLO to compete more successfully on the international stage for world-class employees.
113. 2010 Priorities: IDLO's top priority in 2010 will be to ensure the successful integration of the incoming Director-General, whose term will commence in the second quarter of 2010. While the outgoing Director-General will play a critical role in the hand-over process, much will also be demanded of IDLO senior management and staff to ensure fast and effective integration of the new Director-General into key aspects of IDLO's work, including: programming, resource mobilization and operations.
114. IDLO has already made significant progress in 2009 in filling many critical positions identified in the new organizational structure adopted in 2008. For the outstanding positions that IDLO has budgeted to begin in 2010, this activity will remain an important priority. IDLO will continue to make efforts to build a diverse team, striving for a strong balance of representation of both gender and nationalities that will enrich the Organization's capabilities to service its beneficiaries.
115. Implementation of the newly adopted Performance Management Program will represent a positive shift for staff. Career advancement opportunities will be more easily identifiable through this new system and supported by the professional development program. In addition, new levels of accountability and a more rigorous approach to evaluating performance will also be established. Implementation of this Performance Management Program will include significant training and orientation activities for all staff.
116. Finally, managing IDLO's application to the UNJSPF to a successful conclusion in 2010 will bring substantial benefits to IDLO. While the work to submit the application has been completed, there are anticipated discussions, follow-up assignments, and other requests from the UNJSPF that will require close attention and support from senior leadership to ensure IDLO's acceptance into the pension plan.

Management Objective Three: Team

117. IDLO's third Management Objective focuses on IDLO's Team and articulates IDLO's desire to "Operate as 'one team' in service of IDLO's strategy".
118. 2009 Achievements: In 2009, IDLO put into operation a revised organizational structure. An important aim of the new organizational structure was to more effectively unite all program and operational functions, create clearer lines of accountability and authority, and ensure that IDLO acts as one global,

geographically distributed team. This one team will enable a more rapid and effective program response and a more efficient use of IDLO's resources. The roll-out of job descriptions, completed in 2009, will be particularly valuable in achieving this aim.

119. 2010 Priorities: In 2010, IDLO will continue to operationalize the new organizational structure, with a focus on invigorating IDLO's regional offices and field operations, as well as enhanced training programs for management. As IDLO continues to integrate newly hired staff positions and complete the organizational transformation, adhering to the new organigram will be a helpful guide in ensuring that IDLO continues to employ a "one-team" approach.
120. In 2010, IDLO will further strengthen the sense of one team between the core staff who work at Headquarters and in Regional Centers and those working in project field offices. Employing the use of consultants and other experts to carry out much of IDLO's programming work in the field is an important operational tool for effectively ramping up and delivering an international portfolio of program work. However, it is important to ensure that these individuals feel a strong tie to IDLO, and that they are equipped to act as representatives of the organization. In 2010, IDLO will seek opportunities to communicate more frequently with short-term staff and consultants, provide better orientation to new staff before deployment and assign our core program staff to the field to further strengthen the sense of "one team" at IDLO.
121. While much progress was made in 2009 to encourage a stronger partnership between management and the broader staff to effectively carry out the goals and objectives of the organization, there are additional opportunities to further strengthen efforts to share information, enhance feedback loops, and increase all staff members' participation in fulfilling IDLO's mission. IDLO will continue to focus on strengthening the level of engagement between management and staff in 2010.
122. Improving integration between knowledge generation, networks and the programming side of the organization is another priority for 2010. As IDLO endeavors to be an international thought leader on rule of law and development, and as we continue to learn increasingly important lessons from our existing and recent program portfolio, it will be crucial to create stronger links and vehicles to effectively integrate new knowledge into future programming.

Management Objective Four: Programs & Processes

123. IDLO's fourth Management Objective is focused on IDLO's **Programs & Processes** and articulates IDLO's commitment to "**Continuously improve the design, effectiveness and efficiency of programs**". In 2009 it has become even clearer to IDLO that its ability to facilitate positive change on rule of law and good governance lies not only in the design and quality delivery of its programs, but also in the Organization's ability to maximize the volume of programs it delivers to beneficiaries each year. Maximizing program delivery is a priority for 2010.
124. 2009 Achievements: In 2009, IDLO agreed that the top priority would be to develop performance indicators in line with IDLO's new Strategic Objectives. To

this end, a comprehensive process will be completed by the end of 2009 that will lead to the production of IDLO's Results Framework. Logic models have been developed for each Strategic Objective and they will provide the foundation for developing effective output and purpose (outcome) indicators under each Strategic Objective. Once adopted in 2010, these indicators will allow IDLO to measure results not just on each individual project, but across the program portfolio as a whole, by each Strategic Objective.

125. In 2009, IDLO also worked to standardize key components of project management and quality management. A standard project cycle was adopted and a standard process for program development was introduced. A number of standard evaluation tools were also developed during 2009, including an interim evaluation approach which will become policy from 2010 onwards. In addition, guidelines outlining how IDLO will integrate quality management into each of the Organization's core program and support processes are under development.
126. A monitoring and evaluation system for IDLO's training activities was developed in 2009 and results are now being shared on a quarterly basis. IDLO managers have continued to ensure that IDLO's training methodology and standards are applied consistently in all programs, as witnessed by the high ratings provided by participants through the training evaluations.
127. Action was also initiated in 2009 on developing indicators related to IDLO's new Management Objectives. Key Performance Indicators (KPIs) were identified for IDLO's finance function, in line with the Management Objectives. Developing and testing KPIs related to IDLO's Management Objectives across all other administrative and operational functions will be a priority in 2010.
128. Systematic and rigorous unit work planning processes are a key element of Results Based Management. During 2009, IDLO introduced unit work planning to support budgeting and resource planning, and in particular, to ensure clear alignment between the tasks pursued by IDLO's programming units and those units providing enabling services (e.g. field operations, evaluation, human resources, etc.).
129. A timekeeping system which will enhance IDLO's capacity to track results was introduced in April 2009. The data is being collated and analyzed and feedback is being given to staff to ensure consistency in the use of the timekeeping system, which will in turn gradually improve the quality of the data it produces.
130. 2010 Priorities: IDLO will seek to maximize the number and breadth of quality programs it delivers to recipients. Excellence in delivery is one of the overarching priorities for IDLO in 2010. In no area of IDLO's operations is this more important than with the programming cycle. Building on program achievements in 2009, IDLO will initiate a business process review of program development through implementation and evaluation in 2010. This process will allow IDLO to systematically identify best practices already occurring within the organization, as well as opportunities for improvement.
131. IDLO will place significant attention in 2010 on ensuring compliance to the new standard project cycle and related processes introduced in 2009. This, in combination with the integration of IDLO's new Results Framework into the planning and design of all programs, will be a significant focus for the entire program and senior management team. Training and continuous guidance will need to be provided to staff as they adopt these new programming practices

and further familiarize themselves with the different programming options under each Strategic Objective.

132. In 2010, IDLO will also revisit its model for developing the capacity of local partners who are involved in legal reform initiatives. The aim is to harmonize our approach with that of other international actors, and ensure that our collective efforts to develop capacity in developing and transitional countries are in line with the Paris Declaration principles. A robust model for capacity development model will guide a more rigorous approach to assessing capacity needs, designing results oriented programs and evaluating the outcomes.
133. Adoption of the Results Framework is a critical next step to ensuring that IDLO's monitoring and evaluation activities in 2010 allow for production of IDLO's first Annual Performance Report in 2011 (on 2010 program activities). Special attention will need to be paid to the indicators selected for each new project, as well as to ensure that sufficient staff time and skills are budgeted to conduct required project monitoring and evaluation activities. In addition, continuing programs will need to be aligned to the new standard approach, so that their results in 2010 can be captured and compared to those generated by new projects in the portfolio. Completing the development of Key Performance Indicators (KPIs) in line with IDLO's Management Objectives will also be a priority in 2010.
134. Another important management action for IDLO in 2010 is to complete the implementation of the unit work-planning process. Now that most of the key leadership positions are in place, it will be critical for IDLO to systematically introduce this practice in 2010. Work plan discussions within and across units will ensure that IDLO is working from a shared set of priorities (as outlined in the Management and Strategic Plans) and that the individual work tasks necessary to achieve stated goals are identified and attributed to the most relevant Strategic and Management Objectives.
135. The consistent use of IDLO's new timekeeping system and the improvement of the data it produces will be a priority in 2010. 65% of IDLO's budget is staff costs, and therefore, it is critical that a robust timekeeping system be in place to provide a mechanism for monitoring IDLO's major resource. The system will be continuously analyzed and refined to ensure the data is meaningful and useful.

Management Objective Five: Accountability

136. IDLO's fifth Management Objective focuses on **Accountability** and articulates IDLO's commitment to **"Ensure effective compliance and transparency regarding IDLO's rules & procedures and performance goals across the Organization"**.
137. 2009 Achievements: Significant achievements were made in 2009 in establishing new reporting lines and integrating the newly hired managers to IDLO. A number of related revisions to staff rules and procedures were also identified during 2009, and an update of several internal processes is underway. Despite strong progress, there is further work to carry forward in 2010 and IDLO still expects that systematic reviews of various internal business processes will be

required during each year of implementation of the Strategic Plan to ensure continuous improvements.

138. In 2009, IDLO initiated improvements to management decision making and governance processes. A new management committee was instituted with more regular meetings and communications to staff. The new governance structure approved in 2008 has had a successful first year of adoption in 2009, and several governance processes have been actively revised during the year (e.g. investment management). Taken together, these actions demonstrate IDLO's commitment to enhancing accountability and implementing improvements in internal rules and processes.
139. 2010 Priorities: In 2010, IDLO will continue to enhance new levels and lines of authority to further streamline decision making and enable IDLO to respond more rapidly to the ever-changing international development agenda. This effort is expected to include refining and revising internal rules and processes to more accurately reflect the operating needs of the organization.
140. Linked to the review and refinement of processes and levels of authority is a corporate risk review. IDLO will embark upon such a risk review in 2010 in order to identify risks that could hinder the achievement of its strategic or management objectives. The initial major review will be followed by the implementation of periodic risk review processes to ensure that IDLO is constantly updated on the effects of the changing environment in which it operates.
141. A broad professional development goal for many of our program staff in 2010 will be increased training on project management principles and methodologies. This priority is consistent with IDLO's commitment to excellence in delivery, and will be complementary to the business process review of program development through implementation and evaluation mentioned under Management Objective Four – Programs & Processes.
142. IDLO is an innovative organization that uses cost saving technology solutions relevant to its own operations and to the developing countries it serves. In this spirit, and with the knowledge that it must seek to account for and reduce its environmental footprint, IDLO will also begin assessing its environmental impact in 2010.

Management Objective Six: Resources

143. IDLO's capacity to successfully achieve the vision laid out in its Strategic Plan is dependent upon the organization attracting the necessary funds to implement the activities outlined in its annual Management Plan. IDLO's sixth Management Objective is focused on **Resources** and highlights the necessity for IDLO to **"Raise resources to meet requirements in an efficient and timely manner"**.
144. 2009 Achievements: In 2008, IDLO recognized that aligning financial planning and control processes and systems with Results Based Management would be a primary activity in 2009. Budget orientation sessions were held with all managers to reinforce the principles of Results Based Management, and program budgets were standardized to align with RBM practices.

145. In response to IDLO's current financial resource constraints and in an effort to expand the network of experts that IDLO collaborates with, IDLO will pilot a new structured partnership program for a select group of elite international law firms before the end of 2009. From Bogotá to Bishkek, the program seeks to leverage the technical expertise, resources and generosity of these preeminent firms to promote the sustainable development of the rule of law. The program will be formally launched in 2010 and will offer Pro Bono opportunities to law firms on an individual basis. IDLO will work with law firms to best match attorneys with particular assignments in light of their interest, experience and availability.
146. 2010 Priorities: IDLO receives revenue from two sources, directly as unrestricted contributions or as recoveries from projects. The strategy for resource mobilization will concentrate on increasing the level of unrestricted contributions. At the same time, a review of IDLO's financial framework will be performed to ensure that IDLO's funding mechanisms provide sufficient flexibility, predictability and transparency to support the full implementation of the 2009-2012 Strategic Plan.
147. Strengthening donor relationship processes and systems will be the top priority in 2010, and strong leadership is expected from the incoming Director General on this issue. The Stakeholder Relations Manager position is expected to be filled in early 2010, and the position of the Bi-lateral Funding Manager soon after that. These will be two key recruits of 2010, providing IDLO with the capacity to refine and implement IDLO's comprehensive strategy for resource mobilization.
148. IDLO will continue to work with the member parties to find a more robust and predictable funding model for the organization. Taken together, these actions will put IDLO in a stronger and more stable financial position than that currently experienced under IDLO's 100% voluntary funding model.
149. Finally, IDLO will continue the process of aligning financial planning and control processes with Results Based Management during 2010.

Management Objective Seven: Partnerships

150. IDLO believes that creating strategic partnerships will extend IDLO's reach into new areas by facilitating opportunity identification and increasing the number of beneficiaries with access to IDLO's knowledge and expertise. IDLO's seventh Management Objective focuses on **Partnerships** and outlines IDLO's commitment to "**Develop partnerships that augment and extend IDLO impact**".
151. 2009 Achievements: In 2009, IDLO invested in advancing several core programmatic partnerships by testing new working modalities. Significant progress was made with IDLO's partnership with UNDP regarding knowledge generation and implementation of rule of law programs. In addition, IDLO began partnering with the World Economic Forum on anti-corruption issues.
152. IDLO also notably strengthened its collaboration with the UN system as a whole. IDLO worked in collaboration with the Rule of Law Unit, Peacebuilding Support Office, UNDESA, and UNAIDS in 2009. In addition, new working

relationships were also developed under many of IDLO's program themes. Collectively, these activities have validated the strategic significance of this Management Objective for IDLO.

153. 2010 Priorities: In 2010, IDLO will prioritize expanding its World Trade Organization collaboration. IDLO has successfully collaborated with WTO for several years at a project level. IDLO would now like to explore how this programmatic partnership could be expanded and maximized if more comprehensive partnership arrangements are defined at the senior management level.
154. IDLO will continue its focus with core partnerships, namely UNDP and WEF, in 2010. Attention will be shifted to the development of joint projects and resource mobilization with UNDP, and on increasing joint implementation of projects with WEF.
155. In terms of new partnership development, IDLO will continue discussions to establish working agreements with the European Union, the International Fund for Agricultural Development, the Food and Agriculture Organization, the World Bank and the African Union in 2010.

Management Objective Eight: Communications

156. Strengthening IDLO's capability to share its knowledge and expertise with the international community in a consistent and compelling manner is fundamental to the successful implementation of the Strategic Plan. IDLO's eighth Management Objective is focused on **Communication** and outlines IDLO's aim to "**Improve both external and internal communication**".
157. 2009 Achievements: In 2009, IDLO clarified its positioning within the international development arena, and updated the organization's messaging. IDLO has also redesigned the structure and look of its website, which will be rolled out in the final quarter of 2009. These activities constituted IDLO's initial efforts to review and update core communication processes within the organization.
158. IDLO has also begun developing communications training for those IDLO staff most frequently charged with communicating the value and results of IDLO's work to stakeholders. IDLO speaker training was initiated in 2009. Further training is anticipated in 2010 as the recruitment efforts are completed and a full IDLO team is in place.
159. 2010 Priorities: Building on 2009 achievements, IDLO will focus on strengthening awareness of the IDLO brand. IDLO will achieve this through integrating communications more closely with the Organization's network and knowledge generation activities, increasing IDLO's presence in the media, exploring innovative communication approaches (e.g. social media) and proactively creating opportunities for IDLO to showcase its thought leadership on law and development issues.

160. IDLO will also make explicit efforts to increase the quality and amount of interactions with external constituencies. Working to keep the new website fresh and dynamic, as well as building the capacity of staff to project the IDLO brand on a consistent basis in a memorable way, are critical components in this effort. By becoming more effective ambassadors for its brand, these vehicles will solidify and deepen IDLO's relationships with its constituencies, creating additional opportunities for the organization and its beneficiaries.
161. Strengthened internal communications between management and staff and across units will continue to be an area of focus in 2010. This priority is closely related to Management Objective Three: Team. Renewed efforts will be undertaken in 2010 to further integrate all aspects of the organization so that it works effectively as one team. Through enhanced use of Piazza, as well as more structured and frequent sessions to share knowledge and experiences within and across teams, IDLO will improve its capacity to generate new ideas and build greater synergies throughout the organization.



Activities Calendar **Staff on Leave or Mission** **Archive (Z:)** **PCM Toolkit**

| Programs | Announcements 2009 | General |
|--|---|--|
| Programming Areas <i>Economic Development</i> <i>Institutional Development</i> <i>Social Development</i> <i>Cross Cutting</i> Field Operations Unit Strategic Networks Knowledge Generation | Sumit Bisarya on Mission to southern Sudan and Ethiopia <small>new</small> 14/10/2009 11.33 by Sumit Bisarya Sumit Bisarya arrived on mission in Juba, southern Sudan to work with the Field Program Manager in analyzing the results of the judicial needs assessment to be completed this week and to finalize project documents including a new concept paper for Dutch... TKS - How Managers May Benefit 14/10/2009 11.16 by Sean Sedacca Following the positive feedback we have received since the re-launch of the Time Keeping System at the beginning of this month, we would like to share of couple of useful insights with you: • The TKS is not a precision tool. Therefore while... Miles Young on Mission to Kenya and Ethiopia, 14-28 October 2009 13/10/2009 19.28 by Miles Young Miles Young will be on missions to Kenya and Ethiopia from 14 October through to 28 October, returning to the office on 29 October. The mission to Kenya relates to IDLO's program of support to the Committee of Experts assigned with... South African Ambassador visiting IDLO today <small>new</small> 13/10/2009 12.50 by Clare Fitzpatrick Dear All, this afternoon at 5.30pm the Ambassador of South Africa to Italy, H.E. Mrs. Thenjiwe Ethel Mtintso, will be visiting IDLO to meet with the Director-General and Yohannes Kassahun. Aim of the visit is to discuss opportunities for collaboration... Quarterly Summary of IDLO Training Results Apr-Jun2009 13/10/2009 12.47 by Manuela Marin Please find enclosed the Quarterly Summary of IDLO Training Results related to the II Quarter of this year. The report has been reviewed by the Management Committee which has identified follow up actions to undertake by selected IDLO staff. Identified... (More Announcements...) Add new announcement | General IDLO in Brief Incoming Mail Language Meeting Rooms Security Employee Contact List Community Bulletin Board IDLO Databases IDLO Library Online Subscriptions Podcasts Staff Association Management Result-based Management Task Team Management Committee Regional Offices Cairo Sydney Seattle Field Operations Unit Banda Aceh Bishkek Kabul Italy Juba Elerning |

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Results Based Budget

Methodology

162. IDLO's 2010 budget has been developed using the same methodology as used to prepare the 2009 budget, namely, to align with IDLO's proposed Strategic Plan (2009 – 2012). It has been derived from a broad prioritization across strategic objectives for 2010 (informed by actual program portfolio experience in 2009), combined with preliminary inputs from senior program managers on anticipated activities and associated budgets by program theme. It should be noted that the ability to achieve IDLO's Strategic and Management Objectives depends upon the receipt of voluntary program and unrestricted funding to cover the associated costs agreed at each Assembly of Parties.
163. IDLO has continued to review its financial systems and practices in light of best practices in Results Based Management (RBM) and is gradually adopting a new model for budget preparation and monitoring. RBM enables IDLO to establish improved results oriented planning and program implementation, set clear accountabilities and increase transparency in communicating results achieved to its stakeholders. IDLO is well positioned to plan and report on how the budget is allocated towards the achievement of Strategic and Management Objectives in its Annual Performance Report for 2010, to be issued in 2011.
164. IDLO's financing framework, which allows for easier matching of received donors funds to specific cost categories and/or program activities maintains the four primary cost categories defined in 2009: (1) Institutional Development and Management; (2) Program Support; (3) Program Delivery; and (4) Direct Program Costs⁵. These categories are described in more detail below:
- i. **Institutional Development and Management:** These costs are not directly related to the volume of program activities. The (absolute) cost level depends primarily on the overall size of the Organization and the strategic choices it makes year to year. Examples of cost types in this category include: non-program linked components of administrative services and financial management, services provided to governing bodies, communication to external stakeholders, the development and maintenance of global legal networks, the generation and dissemination of knowledge and learning from IDLO's programs, as well as general management. (See paragraphs 184-190 below for further details).
 - ii. **Program Support:** These costs depend on the volume of programmatic activities carried out by IDLO. These *indirect* costs cannot be directly allocated to any individual program. Examples of costs within this category include: administration and financial management services linked to program implementation, program development and fundraising, and program monitoring and evaluation. IDLO has a program service overhead target ratio of 12% (target overhead % = Program Support Costs (2)/Program Delivery Costs (3) + Direct Program Costs (4))⁶.

⁵ The total of categories 2) to 4) above represents IDLO's Program of Work (POW).

⁶ The target overhead ratio is 12% but the actual overhead costs predicted for 2010 are just below 15%

- iii. **Program Delivery:** These costs are mainly *professional* staff costs (including a prorated share of infrastructure costs, e.g. facility rents, maintenance, ICT) that can be directly attributed to individual activities or programs by registering the time dedicated to such activities and programs. The staff costs included in this category relate to IDLO staff, whereas staff hired for specific programs is charged under *direct program costs*.
- iv. **Direct Program Costs:** These are costs directly linked to *implementing* a particular program (e.g., a technical assistance project in the field or a specific training course) and include costs such as program staff, travel, and in the case of program field offices, all directly attributable costs of administration, security etc. Technically, these costs should not be considered part of IDLO's core costs, since they are reimbursable costs and IDLO will only incur these costs at such time as available program contributions are confirmed.

Budget Assumptions

- 165. Overhead target. A key budget assumption is to reach a target internal program servicing rate (overhead rate) of 12%. This ratio depends on program delivery volume, i.e., the higher the program volume, the lower the overhead rate.
- 166. Staff. The number of staff is essentially based on the number of Full Time Equivalents (FTEs) included within the approved organization chart. Staff included for 2010 has increased by 5 FTEs from 2009, with 101 fixed term staff anticipated. The salary and benefits applied to staff as part of 2010 budget calculations reflect the move towards joining the UNJSPF7, which contributes to the rise in total staff costs. Staff levels and costs are discussed in more detail in paragraphs 191-197 below.

2009 Program of Work⁸ & Institutional Budget

- 167. IDLO's total estimated budget for 2010 is projected to be €21.4 million. This represents a modest increase of 7% over the 2009 estimated budget, but in terms of 2009 actual expenditures, it would amount to 35% more than the forecast as of September 2009. Any budget is the best estimate at the time of preparation but even more so for IDLO, since the organization's budget depends entirely on the receipt of voluntary contributions for programs as well as institutional costs. The important implications of this structure are discussed in more detail in the section below concerning sources of funding.
- 168. The budget estimate for 2009 that was approved by the Assembly of Parties reflects the expectation that the level of expenditure would be €19.9 million and that the same level of contributions would be received either directly or through program recoveries. The lower volume of total expenditures of €15.8 million

⁷ In June 2009 IDLO submitted an application to the UN Joint Staff Pension Fund and consequently the UN salary and benefits scale is being adopted for all staff in 2010. The additional costs resulting from the application of the UN rates relate to the increase in the pension contribution of 0.9% for staff and 1.8% for IDLO. It should be noted that the UN pension amounts are calculated on the "pensionable remuneration" which is an amount set by the ICSC and is higher than the gross salary levels.

⁸ Program of Work is defined as the total of Direct Program Costs, Program Delivery Costs and Program Support Costs.

forecast for 2009, shown in Table 1 below, should not be considered entirely unexpected given that IDLO undertook a critical transition year and that IDLO experienced:

- Less unrestricted contributions received than forecast;
- Lower rate of project implementation to generate the required income;
- and
- Lower overhead recovery rate.

169. Unrestricted contributions of €3.5 million were approved by the Assembly of Parties within IDLO's 2009 budget to cover Institutional Development and Management costs, but the receipt of such funds has not reached necessary levels in 2009.
170. The lower rate of implementation has been caused in part by the fact that some large projects included in the 2009 budget have not come to fruition⁹ and/or funding was received later in the year than anticipated.
171. Annex 3 reflects the structure, total budget levels and the recovery that were approved by the Assembly of Parties in November 2008. The 2009 budget was approved with a Program Support cost level of 14.5%, within a total budget of €19.9 million. In a separate decision, the Assembly of Parties mandated a 12%¹⁰ overhead charge for all programs executed by the organization. Consequently, although the budget reflected support costs for 2009 as €2.1 million or 14.5%, the Organization was only able to charge 12% (and even less in the case of older projects that did not include the full 12% recovery rate).

Table 1: 2010 Total Proposed Budget compared to 2009 Approved and Forecast Budgets

| | APPROVED | FORECAST | PROPOSED | Variance 09 Forecast/10 Proposed |
|---|---------------|---------------|---------------|--|
| Budget Year | 2009 | 2009 | 2010 | |
| | (a) | (b) | (c) | (c)-(b) |
| | €'000s | €'000s | €'000s | % |
| A Institutional Development and Management | 3,488 | 3,476 | 5,086 | 46% |
| B Program Support | 2,089 | 1,251 | 2,092 | 67% |
| C Program Delivery | 3,304 | 2,657 | 2,680 | 1% |
| Total Internal Resources (See Table 2) | 8,881 | 7,384 | 9,859 | 34% |
| <i>Internal Resources as % of Total Budget</i> | 44% | 47% | 46% | |
| D Direct program Costs | 11,103 | 8,385 | 11,500 | 37% |
| Total Budget/Expenditure | 19,984 | 15,769 | 21,359 | 35% |
| Overhead Recovery Rate: B/(C+D) | 14.5% | 11.3% | 14.8% | |

⁹ The reduction in funding received for Afghanistan caused the downsizing of the Kabul office and its activities.

¹⁰ Assembly of Parties Meeting November 2008 decision: "The Assembly of Parties agrees to establish a mandatory 12% overhead on all programmes to be executed by the Organization. The rate will be applied to all project costs and will be paid by all project sponsors whether they are Parties or non-members."

172. Table 1 reflects the expenditure side of the equation. The forecast total expenditure for 2009 is €15.8 million; however, the forecast level of total revenue for 2009 is €14.1 million, resulting in a forecast shortfall of €1.5 million for the year.

2010 Budget

173. The Organization's experience to date and the forecast for 2009 has been taken into account in the development of the 2010 budget. In light of the forecast for 2009, the departure point and final proposal for 2010 is also lower than previously expected.¹¹ The three factors listed in paragraph 169 above, require improvement in 2010 in order for IDLO to reach a proposed 2010 budget volume of **€21.4 million**. Firstly, the level of unrestricted funding needs to increase if IDLO is to achieve the goals set forth in the 2009-2012 Strategic Plan. Secondly, the fourteen IDLO (staff and program) positions which will have been filled during 2009, contain key program staff that will not only drive the implementation of projects that have been developed in 2009, but will also significantly increase the pipeline of projects during 2010 in readiness for increases in program of work levels in 2011 and 2012.

174. Finally, with the needed minimum staffing levels and proposed estimated program of work volume, the target overhead level of 12% will remain difficult to achieve in 2010. The Organization will more likely achieve a 14.8% overhead level in 2010 as shown in Table 1. However, the program development that is expected to be achieved in 2010 will set the stage for an increase in program of work in 2011 that will gradually lower program support costs to be more in line with the recovery rate of 12%. (See paragraphs 200 and 201 for discussion on indicative budgets).

Internal Resources

175. Internal Resources are staff costs, fixed non-staff costs and variable non-staff costs that are utilized for project delivery, project support or for institutional development and management costs. These are all expenditures related to the minimum fixed costs of running IDLO, and for 2009 are proposed to be €9.9 million. These costs include: governance costs; expenditures to enhance IDLO's institutional knowledge and skill base; costs related to operations and general management; expenditures related to organizational capacities; and costs to serve the needs of the Organization's stakeholders.

176. Table 2 presents the breakdown of IDLO's internal costs by Rome headquarters and regional offices. The Cairo and Sydney costs represent 6% and 2% respectively of the worldwide total.

¹¹ The 2010 budget forecast in the 2009 Annual Management Plan was €23.9 million.

Table 2 Breakdown of Internal Resources by Cost Type

| Cost Type €'000s | Worldwide | Rome | Cairo | Sydney |
|-------------------------|------------------|--------------|--------------|---------------|
| Staff Cost | 6,490 | 6,097 | 292 | 101 |
| Fixed Non-Staff Cost | 2,201 | 1,836 | 303 | 62 |
| Function Specific Cost | 1,068 | 1,010 | 32 | 26 |
| Innovation Fund | 100 | 100 | | |
| Total | 9,859 | 9,044 | 626 | 189 |

177. Table 2 also, for the first time, presents an Innovation Fund which is being proposed so that there are resources to pursue innovative and potentially leading edge ideas, techniques or processes. IDLO's competitive advantage is its combined level of expertise in the rule of law and development. In order to maintain and strengthen its reputation, IDLO must continue to explore new questions related to law and development and improved ways of achieving results. The innovation fund of €100,000 would be made available to staff within certain guidelines that would be developed in 2009.
178. Although the proposed 2010 internal resource budget of €9.9 million represents a 2% increase from 44% to 46% (Table 1) compared to the 2009 approved budget (€8.9 million), the proposed level of internal resources for 2010 is below the 2009 forecast level of internal resources of 47%.
179. Table 3 shows that the proportion of internal resources devoted to institutional development and management are proposed to increase by 46%. This and the corresponding decreases in program delivery and program support are largely a result of the variance in how staff time has been allocated and the Function Specific Costs distributed within the 2009 budget compared to 2010.
180. The budget in 2009 was prepared using certain assumptions about where staff spend their time between activities related to program support, program delivery or institutional costs. The introduction of a time-keeping system, combined with one year of implementation experience under the new Strategic Plan, has revealed that these assumptions, and therefore allocations, need to be adjusted in 2010.
181. The Function Specific Costs (See Table 2) are discretionary costs allocated to each IDLO functional unit to enable it to achieve its objectives. In the 2009 budget, these costs were distributed between all categories, whereas for 2010 their allocation has been weighted toward Institutional Development and Management costs in order to more accurately reflect their nature.

Table 3 Analysis of Institutional Development and Management Costs

| | APPROVED | | PROPOSED | | % of Total Increase | |
|---|-----------------|--------------|-----------------|----------------|----------------------------|--|
| | Budget Year | 2009 | 2010 | Variance 09/10 | | |
| | €'000s | €'000s | €'000s | % | % | |
| Management and Governance | 1,130 | 1,500 | 370 | 33% | 23% | |
| Communication and Stakeholder Relations | 836 | 1,363 | 527 | 63% | 33% | |
| Finance, HR, ITC and Administration | 677 | 1,056 | 379 | 56% | 24% | |
| Networking | 331 | 479 | 148 | 45% | 9% | |
| Knowledge Generation | 514 | 588 | 74 | 14% | 5% | |
| Innovation Fund | - | 100 | 100 | | 6% | |
| Institutional Development and Mngnt (From Table 1) | 3,488 | 5,086 | 1,598 | 46% | 100% | |

182. The remainder of this section will explain the reasons for the increases within the various components of Institutional Development and Management costs.

Management and Governance

183. IDLO's new governance structure is costing more than originally anticipated. The number of meetings held by the end of July had increased by 50%, and is expected to increase by 175% by the end of 2009 compared to 2008 (See Annex 4 for details). The increase in the number of meetings not only increases catering, stationary, postage and travel costs but also involves a considerable increase in staff time. For the 2009 budget, it was largely the time and cost of the General Counsel that was included in this category, but experience over the last year has shown that many staff are involved on a regular basis in organizing and producing information for the governance meetings. Twenty-eight out of the sixty-eight core staff as of September 2009 devote time to servicing governing bodies. The total cost of governing body activities in 2009 is estimated at close to €700,000.

184. The election of a new Director General has required additional time and costs in 2009 and, although the election will be over, the induction of the incoming DG will involve higher than usual costs in this area in 2010.

Communication and Stakeholder Relations

185. The expected increase in expenditure for activities relating to communication and stakeholder relations relate directly to two of IDLO's major themes for 2010; namely Strengthening IDLO's Reputation and Stabilizing Finances. As outlined earlier in this document, these two themes are integral to IDLO's success in 2010 and beyond and therefore require an increase in expenditure in 2010.

186. More specifically, three out of the five additional staff being proposed for 2010 will concentrate their efforts on these activities (this is discussed in more detail in the staffing section below). Furthermore, the allocation of existing staff time also reflects the importance and emphasis that these activities will receive in 2010.

Legal, Finance, HR, ITC and Administration

187. The proposed 24% increase in Legal, Finance, ICT, HR and Administration (see Table 3) is largely due to the creation of a dedicated staff development budget (€150,000) allocated to the HR Unit to manage (in 2009 training costs were spread between all IDLO units). IDLO recognizes that development of its staff is an essential part of building a professional and highly effective team. The increase is also due to the addition of one staff to the General Counsel's office, to bring the team to a total of three, including the General Counsel.

Networking and Knowledge Generation

188. Although the percentages of the overall increase that are attributed to networking and knowledge generation are relatively small (9% and 5%, respectively), they are key activities in IDLO's overall strategy. The value of these activities within Institutional Development reflects the cost of time that staff will devote to networking and knowledge generation activities that are not currently expected to be part of a specific project. As outlined in discussions on

Strategic Objective Four, IDLO plans to conduct research on anti-corruption, investment law and environment law in 2010 and the major part of these activities are not covered by project funding.

189. The amounts relating to networking and knowledge generation that are part of Project Delivery are shown in Annex 5. These amounts contain the time spent on delivering projects such as the Legal Empowerment Research project funded by the Gates Foundation.

Staffing

190. Staff numbers. IDLO proposes an increase of staff numbers from 96 FTEs in 2009 to 101 FTES in 2010, an increase of 5%. When the 2009 budget was prepared during 2008, the Organization had not yet completed the re-alignment of staff roles and responsibilities. This exercise was completed at the end of December 2008 and it resulted in an Organization Chart that differs slightly from the Chart containing 96 positions included in the 2009 budget.
191. The revision of the organizational structure revealed the need for a Field Operations Unit (of three staff) as well as a pro-bono program coordinator and an additional senior researcher. At the same time, review of the staff competencies provided opportunities to move staff and provide them with new opportunities and challenges. Furthermore, a review of IT processes resulted in the reduction of one FTE in this area. The net result of all of these adjustments was an increase of three FTEs.
192. The creation of two new communications positions brings the total increase for 2010 to five FTEs. The two communications positions, a Public Relations Officer and a writer, will be key hires in 2010, required in order to achieve the communications objectives outlined earlier in this document.

Staff costs

193. The staff costs worldwide of €6.5 million represent a 10% increase over the 2009 budget level of €5.9 million. The numerous components of this increase are detailed in Table 4 below.
194. The level of staff costs has been affected by the addition of five FTEs, the recognition that not all new staff will be on board for the full twelve months and the overlap of the incoming and outgoing Director General. After the aforementioned changes and after relocation costs have been deducted from the 2009 total staff costs, a direct comparison can be made between years in terms of the increase in the "price" of staff. In 2010 the price increase is expected to be €877,000 as a result of applying UN salary scales.

Table 4 Staff Cost Increases

| | 2009 | |
|--|---------------|---------------------|
| | €'000s | % Incr/Decr. |
| Gross Staff Cost in 2009 Budget | 5,911 | |
| Budgeted Relocation Costs for 2009 | (250) | -4% |
| Net Staff Cost for 2009 | 5,661 | |
| | 2010 | |
| Cost of 5 additional staff | 314 | 5% |
| Vacancy Factor (all new positions not staffed for full year) | (462) | -8% |
| Cost of overlap of new and outgoing DG | 100 | 2% |
| Price increase by applying UN scales (See Table 5) | 877 | 15% |
| Total Staff Cost Proposed for 2010 | 6,490 | |

195. The estimate of the cost of entering the UNJSPF is more than was indicated in April 2009 and the reasons are shown in Table 5 below. Firstly, the 2009 salary scales were not yet issued by the ICSC12 when the estimate was first made by IDLO. Secondly, the use of correct pensionable remuneration tables results in an additional €172,000 to the cost of pension contributions. Thirdly, the original calculation did not take into account staff that would be coming on board in 2010.

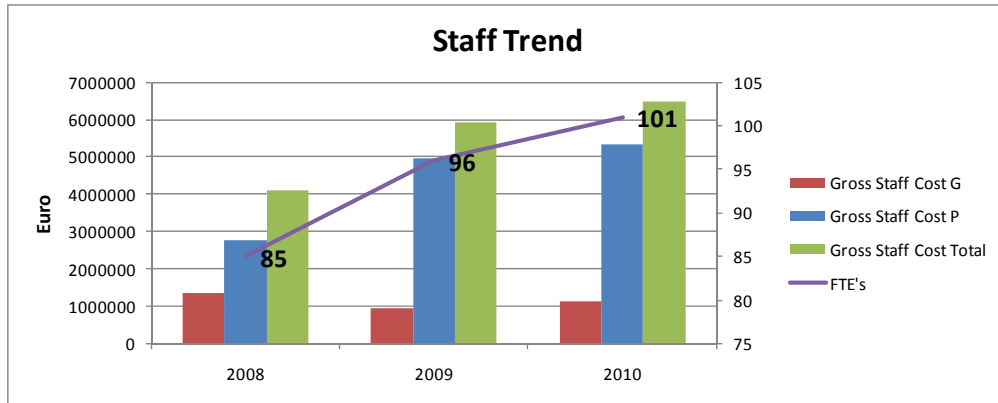
Table 5 Reasons for increase in estimated cost of joining UNJSPF

| | €'000s |
|-------------------------------------|---------------|
| Original Estimate | 350 |
| Use of 2009 Salary scale | 210 |
| Pensionable remuneration scales | 172 |
| Staff in 2009 budget, hired in 2010 | 145 |
| Final Estimate | 877 |

196. Figure 1 below shows the trend in staff numbers and costs since 2008. The relatively sharper increase between 2008 and 2009 reflects the organizational changes introduced to support the Strategic Plan (2009-2012). The increase between 2009 and 2010 is less as the organizational structure stabilizes. It should be noted that the staff increases relate nearly exclusively to professional staff, while general service staff levels have been kept to a minimum.

¹² International Civil Service Commission

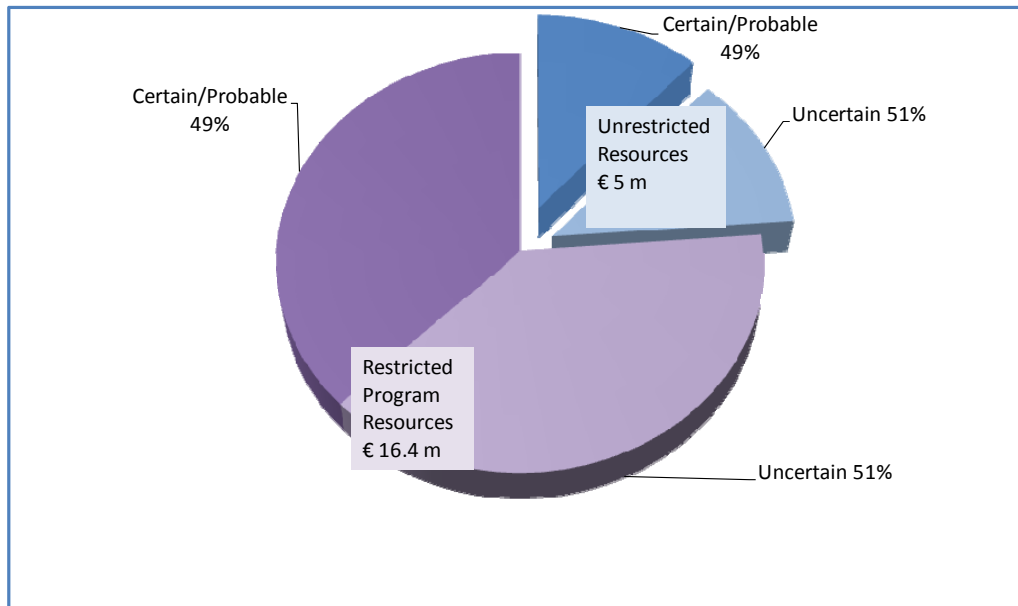
Figure 1. Staff Trends 2008 - 2010



Sources of funds

197. IDLO's funding sources are twofold; unrestricted contributions and recoveries from programs. However, at the outset of any given year IDLO has no guaranteed income other than one statutory annual contribution and some multi-year grants. This is a typical situation that IDLO has faced for the last 25 years. In developing the 2010 budget, Revenue based on both actual pledges and potential contributions has been included. Figure 2 below shows that 51% of the resources reflected in the 2010 budget are uncertain at the time of budget preparation.

Figure 2. Restricted and Unrestricted Resources 2010



198. In order to obtain the required level of resources in 2010, IDLO will concentrate efforts in the recruitment of the head of Stakeholder Relations, as well as the Manager for Bi-Lateral Funding, the development of a strategy to stabilize IDLO's funding base (See Management Objective Six: Resources discussion in paragraphs 144 to 150), and engage the active support of the Audit & Finance Committee to encourage Member Parties to provide strong financial backing.

Indicative Budget 2011 – 2012

199. The proposed and indicative budgets for the current strategic planning period 2009-2012 shown in Table 6 reflect the trend towards a financial model with less internal costs, a program support level that equals the amount charged to projects (12%) and an increasing level of external resources for direct project costs as the Organization's program of work expands (See Annex 6 for details).

200. As IDLO becomes fully staffed by 2011 with its core staff in Rome and regional offices and as systems and processes are improved to deal efficiently with an increasing number of projects, the internal resources will reflect an ever decreasing proportion of the total budget. The growth in external resources for direct program costs will include the additional project consultants that will be employed to deliver the increasing program of work.

Table 6 – Indicative Budgets 2011-2012

| | 2009 | 2010 | 2011 | 2012 |
|--|---------------|---------------|---------------|---------------|
| | €'000s | | | |
| Institutional Development and Management | 3,488 | 5,086 | 5,091 | 5,084 |
| Program Support | 2,089 | 2,092 | 2,306 | 2,544 |
| Program Delivery | 3,304 | 2,680 | 3,021 | 3,590 |
| Internal Resource Budget | 8,881 | 9,859 | 10,418 | 11,218 |
| <i>Percentage change in internal resources</i> | 44% | 46% | 43% | 40% |
| External Resource Budget | 11,103 | 11,500 | 13,931 | 17,027 |
| <i>Percentage increase in external resources</i> | | 4% | 21% | 22% |
| Total Budget | 19,984 | 21,359 | 24,349 | 28,245 |
| <i>Percentage increase in total resources</i> | | 7% | 14% | 16% |
| <i>Cost of Program support (overhead)</i> | 14.5% | 14.8% | 13.6% | 12.3% |

Capital Budget

201. The proposed Capital Budget for 2010 is expected to amount to €563,000, and is classified in three main groups; Information Technology, Building Renovations, Office Furniture and Equipment, as shown in Table 7 below and in more detail in Annex 7.

Table 7

| IDLO 2010 Capital Budget Proposal | |
|--|--------------|
| | €000s |
| Information Technology | 105 |
| Building renovations | 283 |
| Furniture & Equipment | 33 |
| | 420 |
| Microsoft Software (USD 200,000) | 143 |
| Total | 563 |

202. **Information Technology** requirements are largely driven by the increase in the number of staff as IDLO fills the positions in the organization chart that supports the Strategic Plan (2009-2012). The software requirements are very low due to the contribution from Microsoft Corporation, which has in the past provided IDLO with software valued at approximately US\$200,000 over a two year period. IDLO is currently making a similar application for a software grant for the next two year period. Since the outcome of this application is not yet known, the value of the required software is shown separately in the capital budget summary above.
203. **Building renovations** are necessary in order to be able to accommodate the number of personnel in the Rome headquarters building. A headcount as of September 2009 shows that there are 86 people in the Rome Headquarters building, leaving only 4 workstations available for use. Annex 8 shows the details of the current and projected headcount and emphasizes that it is not only core staff that have to be accommodated, but also, project consultants, interns, pro-bono staff and visitors.
204. IDLO has entered into a rental agreement of 12 years duration (with expiry date end 2017) with the Congregazione Suore di Carità Immacolata Concezione d'Ivrea (the Sisters) for the lease of 3000 sqm at Viale Vaticano 106. Table 8 below shows the breakdown of this space, and demonstrates that even if theoretically all the meeting rooms, classrooms, library and cafeteria were converted to office space, there would only be 129 workstations available and IDLO would run out of space by the end of 2010. Table 8 also shows the capacity that would be gained by renting additional space from the Sisters,

which would facilitate the accommodation of staff in 2010 without foregoing most of the common space, and furthermore, would provide capacity for future growth. Due to the forecast increase in the program of work in 2011 and 2012 (See Annex 6), it is unrealistic to think that there will not be any more project staff in Rome.

Table 8 - Breakdown of office space rented by IDLO in Rome

| | Space | Theoretical scenario all spaced used for Workstations | Additional space rented & renovated |
|---|--------------|--|--|
| | Sqm | # of people | |
| Offices | 844 | 90 | 90 |
| Meeting rooms | 150 | 15 | 0 |
| Classrooms | 100 | 10 | 10 |
| Library | 115 | 11 | 4 |
| Cafetteria | 30 | 3 | 0 |
| | 1239 | 129 | 104 |
| Reception Ground Floor | 85 | | |
| Courtyard | 40 | | |
| Basement (not usable unless renovated) | 550 | | |
| Kitchen, terrace, toilets and corridors | 1086 | | |
| Total Space currently rented: | 3000 | | |
| Ground Floor additional space | 300 | | 30 |
| Additional courtyard space | 275 | | |
| | | | 134 |
| Basement additional workspace | 400 | | 40 |
| Basement additional common space | 200 | | |
| Total space | 4175 | | 174 |

* European Union norms for workspace per person are 10 square meters

205. The Sisters are offering additional space consisting of the ground floor, courtyard and basement space, which would provide approximately 70 workstations, but the space requires renovation. IDLO is proposing that the renovation be done in stages and that the ground floor space is renovated in 2010 to provide an additional 30 workstations. This staged approach is consistent with the projected growth of IDLO and the number of people that the headquarters will need to accommodate in the future. The projected growth and associated costs are presented in Annex 9, which also reflects the space (square meters per person) that is generated at each stage.

Annexes

- Annex 1 Preliminary Targets by Strategic Objective (2009)
- Annex 2 Implementation Timeline of Priority Management Activities
- Annex 3 Budget Cost Drivers
- Annex 4 IDLO Meetings
- Annex 5 Details of Budget Proposal for 2010
- Annex 6 Budget Proposal for 2010, Indicative Budget for 2011-2012
- Annex 7 Capital Budget Details
- Annex 8 Headcount and Office Space Requirements in Rome Headquarters
- Annex 9 Cost and Effect of Renting Additional Space in Rome Headquarters

Annex 1 –Preliminary Targets by Strategic Objective (2009)

| Strategic Objective | Preliminary 2009 Targets |
|---|--|
| National Strategies & Frameworks | <ul style="list-style-type: none"> ▶ Revise IDLO's assessment methodology ▶ Participate alongside development partners in the strategy design process in two countries ▶ Deliver IDLO interventions to support sector strategy implementation in four countries |
| Legal Empowerment | <ul style="list-style-type: none"> ▶ Integrate public awareness activities as a complement to in-country programs ▶ Develop best practices for creating, sustaining and replicating IDLO-supported national legal service organizations |
| Global Challenges | <ul style="list-style-type: none"> ▶ Implement projects on three global challenges (e.g. water, HIV, land) ▶ Identify key success factors for partnerships with other actors on global challenges |
| Networks | <ul style="list-style-type: none"> ▶ Pilot at least three program theme "networks" (e.g. Trade, Investment and Micro-finance law) ▶ Establish required partnerships for each thematic network IDLO plans to begin rolling out in 2009. |
| Knowledge Generation | <ul style="list-style-type: none"> ▶ Conduct trend analysis and produce initial report on sector wide strategies ▶ Implement a comprehensive research program on experience in legal empowerment programming ▶ Develop lessons learned on micro-finance law and regulation ▶ Complete two project evaluations and codify the best practices and lessons learned identified in each |

Annex 2 –Implementation Timeline for Priority Activities

| 2010 Management Priorities by Management Objective | 2009 | 2010 | | | |
|--|------|------|----|----|----|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| MO1 - Values | | | | | |
| Staff-wide exercise to revise IDLO values (carried over from 2009) | | | | | |
| Reinforce values through core competencies & performance management program (for approval 2009) | | | | | |
| Explicit focus on cultivating orientation to service (beneficiaries, donors, internal units) | | | | | |
| MO2 - Performance | | | | | |
| Ensure successful integration of incoming Director General | | | | | |
| Successfully recruit key leadership & program legal staff | | | | | |
| Implement performance management program | | | | | |
| Manage UNJSPF application process to successful conclusion | | | | | |
| MO3 - Team | | | | | |
| Continue to operationalize new organigram, with focus on regional offices and field operations | | | | | |
| Strengthen level of engagement between management and staff | | | | | |
| Improve integration between knowledge generation, networks and programming | | | | | |
| Develop mechanisms to strengthen non-staff capacity to represent IDLO | | | | | |
| MO4 - Programs & Processes | | | | | |
| Complete implementation of unit workplanning processes (carried over from 2009) | | | | | |
| Ensure compliance to standard project cycle and related processes | | | | | |
| Integrate Results Framework into planning and design of all programs | | | | | |
| Revise IDLO capacity development model | | | | | |
| Ensure monitoring and evaluation activities allow for production of first APR on 2010 program activities | | | | | |
| Complete development of KPIs for Management Objectives | | | | | |
| Initiate business process review of program management and delivery in 2010 | | | | | |
| MO5 - Accountability | | | | | |
| Clarify lines and levels of authority, including related internal rules & processes | | | | | |
| Provide project management training to improve compliance & accountability | | | | | |
| Conduct corporate risk review | | | | | |
| MO6 - Resources | | | | | |
| Refine IDLO resource mobilization strategy | | | | | |
| Revise IDLO funding model and financing framework | | | | | |
| Continue aligning financial planning and control processes with RBM | | | | | |
| MO7 - Partnerships | | | | | |
| Reinforce and build select partnerships (e.g. UNDP, WTO, WEF) | | | | | |
| Initiate steps towards working agreements with key development organizations (AU, FAO, IFAD, WB) | | | | | |
| MO8 - Communications | | | | | |
| Increase IDLO presence in global and social media | | | | | |
| Strengthen staff capacity to consistently strengthen IDLO reputation | | | | | |
| Improve internal communications between management & staff and across units | | | | | |

Annex 3 –Budget Cost Drivers

| Cost Category | 2009 Budget €'000s |
|---|-----------------------|
| Institutional costs | 3,487 |
| Program Delivery | 3,304 |
| Direct Program costs | 11,103 |
| Program support costs (overhead) | 2,089 |
| Total Budget | 19,983 |

*Management, Governance, Stakeholder Relations,
Legal, Finance, HR, IT, Administration, Knowledge
generation, Networks*

14,407

Overhead: $2,089/14,407 = 14,5\%$

Annex 4-IDLO Meetings

| IDLO meetings Jan-July 2009 | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|----------------|-------------------|----------------|------------------|----------------|
| | Standing Committee | | Audit and Finance Committee | | Board of Advisors | | DG Working Group | |
| | Date | # of attendees | Date | # of attendees | Date | # of attendees | Date | # of attendees |
| | 14-Jan | 20 | 7-Apr | 14 | 4-Jun | 25 | 14-Jan | 22 |
| | 11-Mar | 25 | 16-Jul | 9 | | | 25-Mar | 16 |
| | 13-May | 20 | | | | | 9-Jun | 17 |
| | 15-Jul | 22 | | | | | 25-Jun | 11 |
| | | | | | | | 14-Jul | 21 |
| Total Number of Meetings | 4 | | 2 | | 1 | | 5 | |
| Total Number of Attendees | | 87 | | 23 | | 25 | | 87 |

| Comparison of Number of Meetings in 2008 and 2009 | | | |
|---|----------|-----------|-------------|
| | 2008 | 2009 | |
| | 12 mths | 7 mths | |
| Meeting Count | 8 | 12 | 50% |
| 2008 Number of Attendees | 272 | 222 | |
| Plus meetings scheduled August to December 2009: | | | |
| DG Interviews /workgroup | | 3 | |
| Assembly of Parties | | 1 | |
| Standing Committee | | 2 | |
| Audit Committee | | 4 | |
| | | <u>10</u> | |
| Final Meeting Count | <u>8</u> | <u>22</u> | 175% |

Annex 5–Details of Budget Proposal for 2010

| Budget Year | APPROVED | PROPOSED | Variance 09/10 | |
|---|---------------|---------------|----------------|------|
| | 2009 | 2010 | €'000s | % |
| | €'000s | €'000s | €'000s | % |
| Management and Governance | 1,130 | 1,500 | 370 | 33% |
| Communication and Stakeholder Relations | 836 | 1,363 | 527 | 63% |
| Finance, HR, ITC and Administration | 677 | 1,056 | 379 | 56% |
| Networking | 331 | 479 | 148 | 45% |
| Knowledge Generation | 514 | 588 | 74 | 14% |
| Innovation Fund | - | 100 | 100 | |
| Institutional Development and Mngnt (From Table 1) | 3,488 | 5,086 | 1,598 | 46% |
| Program Development and Fundraising | 809 | 617 | (192) | -24% |
| Monitoring and Evaluation | 410 | 539 | 129 | 31% |
| Administration, HR and ITC | 389 | 381 | (8) | -2% |
| Financial Management and Stakeholder Reporting | 481 | 556 | 75 | 15% |
| Program Support | 2,089 | 2,092 | 3 | 0% |
| Gov., Institnl. and Justice Reform Progs | 703 | 680 | (23) | -3% |
| Econominc Growth & Trng Progs | 702 | 528 | (174) | -25% |
| Social Development | 887 | 724 | (163) | -18% |
| Cross Cutting Progs | 150 | 145 | (5) | -3% |
| Field Operations | - | 98 | 98 | |
| Networking | 561 | 265 | (296) | -53% |
| Knowledge Generation | 301 | 240 | (61) | -20% |
| Program Delivery | 3,304 | 2,680 | (624) | -19% |
| Internal Resource Budget | 8,881 | 9,859 | 978 | 11% |
| <i>Internal Resources as % of Total Budget</i> | <i>44.4%</i> | <i>46.2%</i> | | |
| External Resource Budget/Direct Project Costs | 11,103 | 11,500 | 397 | 4% |
| Total Budget | 19,984 | 21,359 | 1,375 | 7% |

Annex 6–Budget Proposal for 2010, Indicative Budget for 2011-2012

| | Budget | Budget | Budget | Budget |
|---|-------------------|-------------------|-------------------|-------------------|
| Budget Year | 2009 | 2010 | 2011 | 2012 |
| | € | € | € | € |
| Management and Governance | 1,130,000 | 1,500,188 | 1,235,152 | 1,221,012 |
| Communication and Stakeholder Relations | 836,000 | 1,363,453 | 1,235,152 | 1,221,012 |
| Finance, HR, ITC and Administration | 677,000 | 1,056,277 | 1,235,152 | 1,221,012 |
| Networking | 331,000 | 478,591 | 494,061 | 488,405 |
| Knowledge Generation | 514,000 | 587,823 | 741,091 | 732,607 |
| Innovation Fund | - | 100,000 | 150,000 | 200,000 |
| Institutional Development and Management | 3,488,000 | 5,086,331 | 5,090,608 | 5,084,046 |
| | | | - | - |
| Program Development and Fundraising | 804,000 | 616,795 | 691,871 | 763,294 |
| Monitoring and Evaluation | 415,000 | 538,599 | 691,871 | 763,294 |
| Administration, HR and ITC | 389,000 | 381,355 | 345,936 | 381,647 |
| Financial Management and Stakeholder Reporting | 481,000 | 555,514 | 576,559 | 636,079 |
| Program Support | 2,089,000 | 2,092,264 | 2,306,237 | 2,544,315 |
| Program Delivery | 3,304,000 | 2,680,072 | 3,021,247 | 3,589,817 |
| Internal Resource Budget | 8,881,000 | 9,858,667 | 10,418,092 | 11,218,178 |
| External Resource Budget | 11,103,000 | 11,500,000 | 13,930,788 | 17,026,524 |
| Total Budget | 19,984,000 | 21,358,667 | 24,348,881 | 28,244,702 |
| <i>Annual Growth Target of Total Budget</i> | | | 14.0% | 16.0% |

Annex 7–Capital Budget Details

| IDLO PROPOSED CAPITAL BUDGET 2010 | |
|---|----------------|
| Description | Costs in € |
| Information Technology | |
| HARDWARE | |
| Server (4 servers) | 40,000 |
| Workstation (20 new staff + 20 obsolete) | 24,000 |
| Laptop (10 for travellers) | 6,000 |
| Routers/Switches/VoIP phones (new office) | 20,000 |
| Printer | 1,500 |
| SOFTWARE | |
| Adobe Products | 5,000 |
| Software renewal (see attached doc) | 8,000 |
| Sub-Total Information Technology | 104,500 |
| Building works | |
| Estimated cost 900€ /sqm for total of 250 sqm | 225,000 |
| Regular 10% contingency | 22,500 |
| Professional Services | |
| Architect | 35,343 |
| Sub-Total Building Renovations | 282,843 |
| Office Furniture and Equipment | |
| Office furniture | 25,080 |
| Office equipment | 3,600 |
| Ceiling lamps-renovated ground floor | 4,000 |
| Sub-Total Furniture and Equipment | 32,680 |
| Microsoft Software | 142,857 |
| TOTAL | 562,880 |

Annex 8–Headcount and Office Space Requirements in Rome Headquarters

| | Staff | Interns | Project Consultants | Pro Bono Staff | Free | TOTAL | Shortfall |
|---|-----------|----------|---------------------|----------------|----------|------------|-----------|
| Curent capacity | 68 | 4 | 14 | | 4 | 90 | |
| October arrivals | 3 | 0 | 1 | | 0 | | |
| Short Term Requirement | 71 | 4 | 15 | | | 90 | |
| PLUS | | | | | | | |
| Mid Term Hires | 14 | 4 | 0 | 4 | 0 | 22 | |
| Project hires | | 0 | 8 | | 0 | 8 | |
| | | | | | | | |
| Mid Term Requirement to 31 Dec 2010 | 85 | 8 | 23 | 4 | 0 | 120 | 30 |
| PLUS | | | | | | | |
| Potential hires | | | 5 | 4 | | 9 | |
| Caopacity for visitors & short term consultants | | | 4 | | | 4 | |
| Estimated Requirement for 2011 | 85 | 8 | 32 | 8 | 0 | 133 | 43 |

| | |
|-------------------------|------------|
| Cairo | 10 |
| Sydney | 2 |
| Residence | 4 |
| Total Core staff | <u>101</u> |

Annex 9—Cost and Effect of Renting Additional Space in Rome Headquarters

| | Now | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| Number of people | 90 | 120 | 133 | 140 | 150 | 155 | 160 | 165 | 170 | |
| OPTION 2 (Rent more space now, renovate 300sqm in 2010, 600 in 2013 and 550 in 2015) | | | | | | | | | | |
| Squ meters availabe for offices | 840 | 1090 | 1090 | 1090 | 1490 | 1490 | 1790 | 1790 | 1790 | |
| Estimated Capital Investment- Euros | | 283,000 | | | 780,000 | | 770,000 | | | |
| Depreciation pa- € | | 17,688 | 35,375 | 35,375 | - | 165,375 | 422,042 | 422,042 | 422,042 | |
| Rental per annum - € | 349,200 | 493,200 | 493,200 | 493,200 | 493,200 | 493,200 | 493,200 | 493,200 | 493,200 | |
| Total expense per annum - € | 349,200 | 510,888 | 528,575 | 528,575 | 493,200 | 658,575 | 915,242 | 915,242 | 915,242 | |
| Cost per person -€ | 3,880 | 4,110 | 3,974 | 3,776 | 3,288 | 4,249 | 5,720 | 5,547 | 5,384 | |
| Squ meters per person | 9 | 9 | 8 | 8 | 10 | 10 | 11 | 11 | 11 | |