



2012 - 2014 Management Plan



Follow-up Briefing
October 5th, 2011



Agenda


1. Executive Summary of 2012-2014 Management Plan

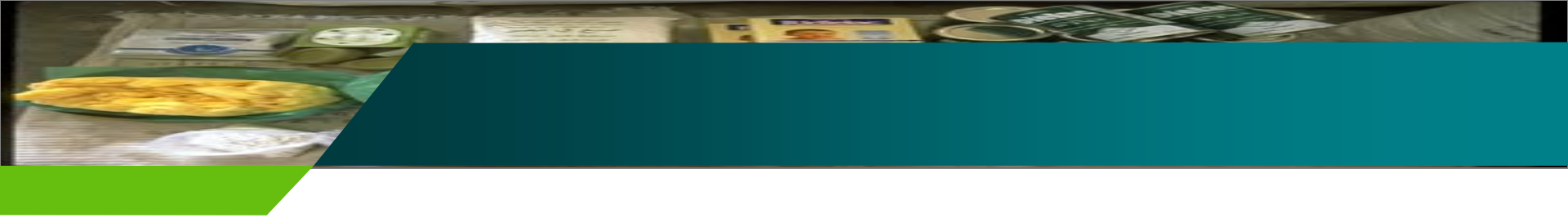
2. One Time Investments

3. Questions on Strategic Direction

- Preparedness and Response Enhancement Programme (PREP)
- Cash and Vouchers
- Supplemental Food Interventions

4. Additional Information

- Capacity Augmentation
 - PSA Budget by Location
 - Mainstreaming Clusters
 - Workforce Re-Profiling
- 



1. Executive Summary of 2012-2014 Management Plan

- Distributed in draft on September 28th





Strategic Direction

- Continued strengthening of Emergency Preparedness and Response
- Shift from Food Aid to Food Assistance, characterized in particular by:
 - Increased Implementation of Cash and Vouchers
 - Scale-up of targeted Supplemental Food Interventions



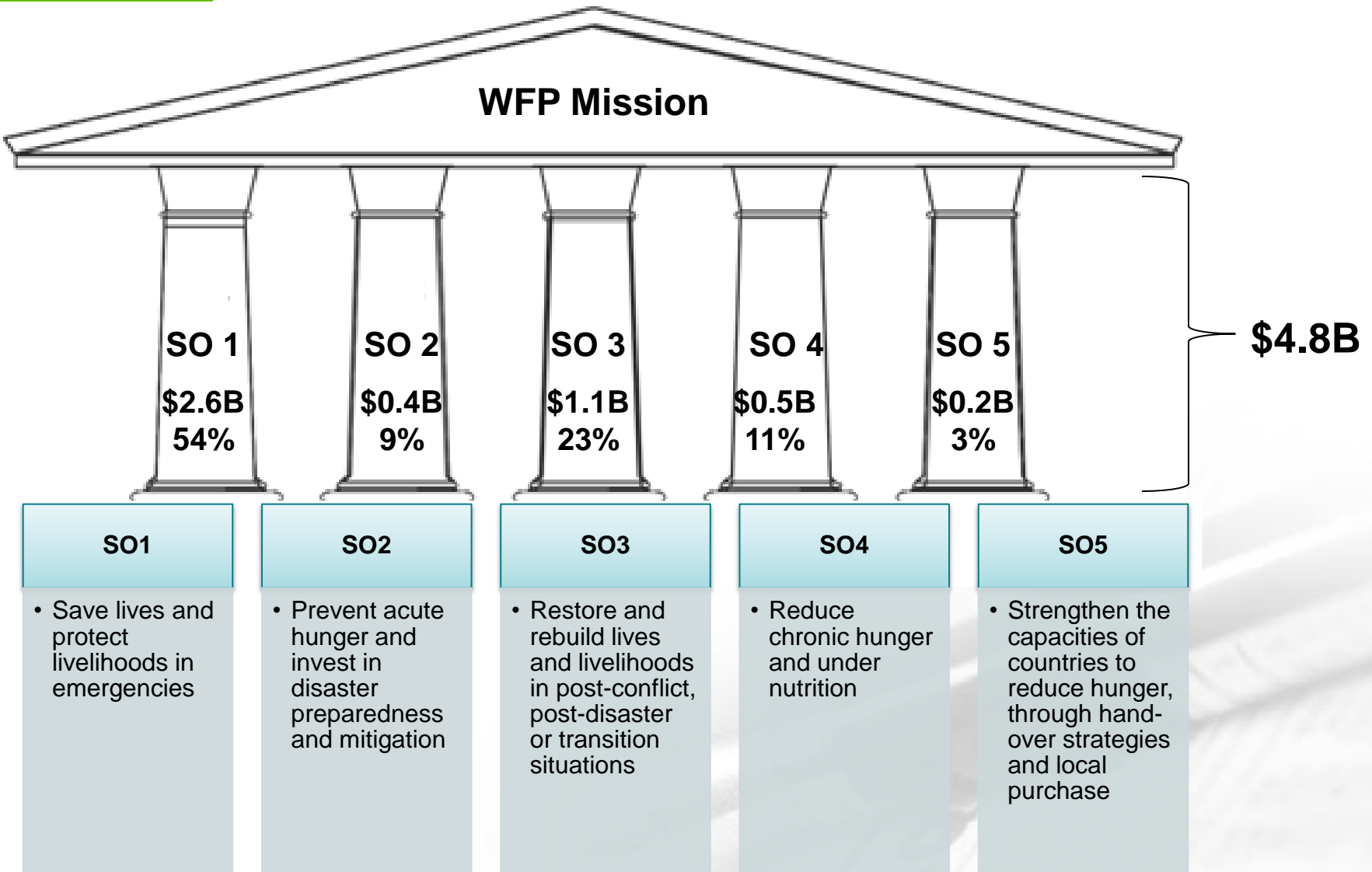
Overview of Budget Proposal

2012 Budget Proposal (US\$ million)

| | |
|--------------------------------------|----------------|
| Operational Requirements | 4,823.8 |
| Regular PSA | 249.1 |
| One-Time Investments | 22.2 |
| Workforce Re-Profiling Exercise | 10.0 |
| Security Funding (from General Fund) | 10.0 |
| Special Accounts and Trust Funds | 369.3 |
| Total | 5,484.4 |

Projected Operational Requirements by Strategic Objective

WFP Mission

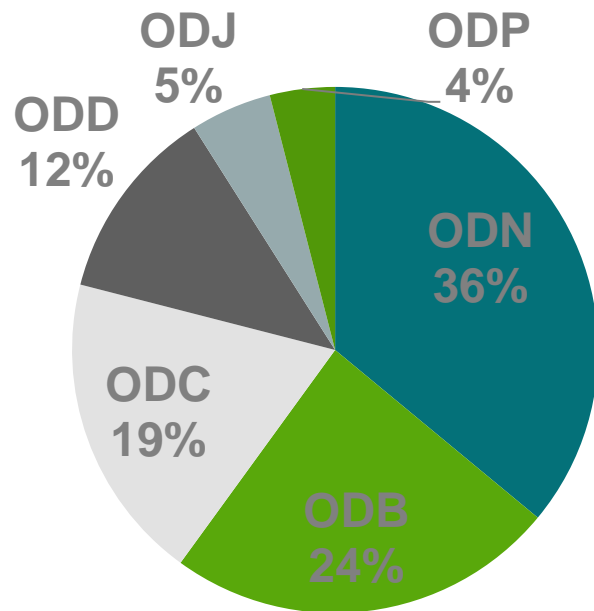


Where WFP Operates

Top 10 Countries

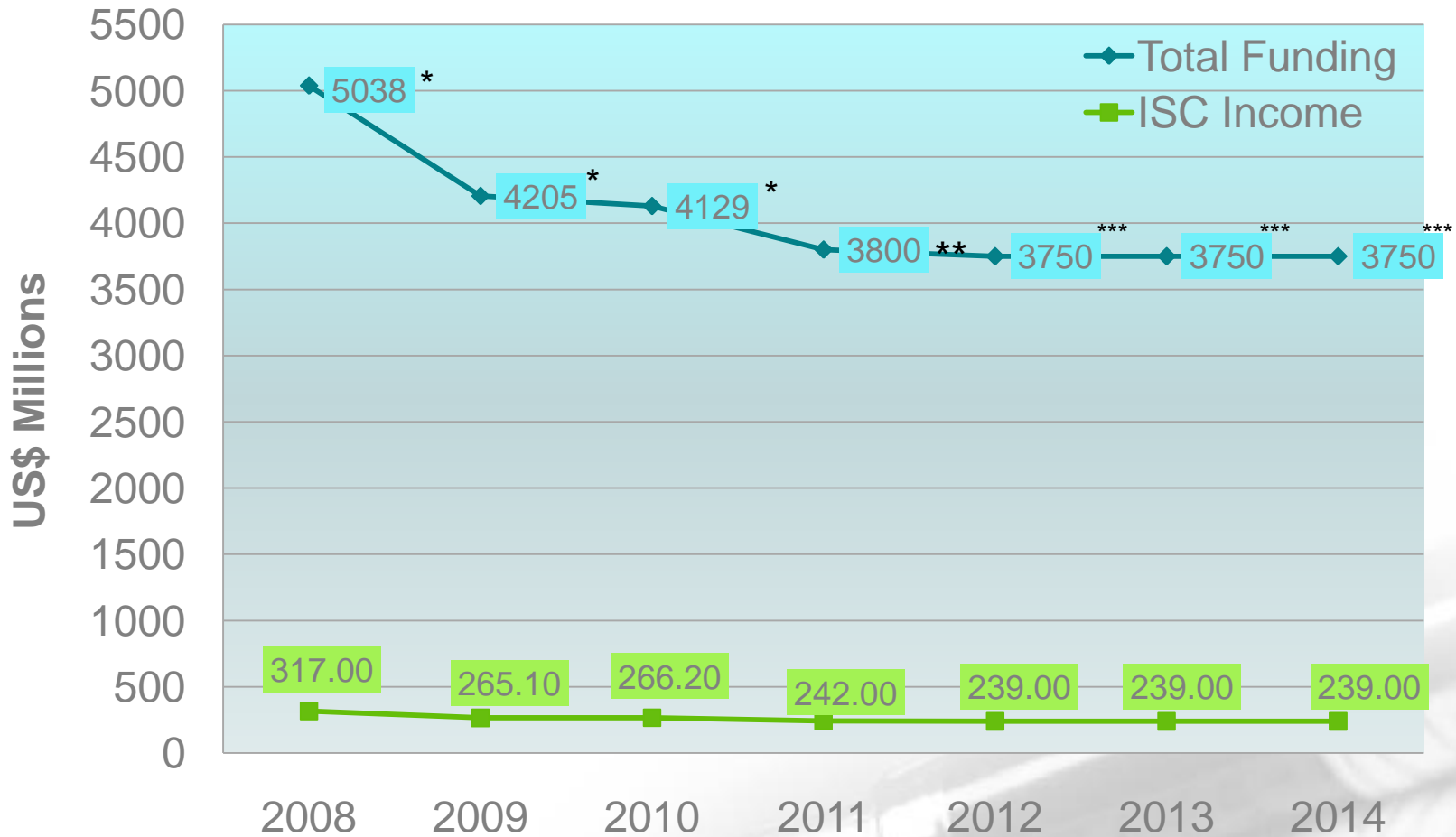
| | Operational Budget (US\$ million) | % of total 2012 Operational Budget |
|------------------|-----------------------------------|------------------------------------|
| Ethiopia | 448 | 9% |
| Afghanistan | 442 | 9% |
| Sudan | 398 | 8% |
| Kenya | 359 | 7% |
| Pakistan | 305 | 6% |
| South Sudan | 254 | 5% |
| Yemen | 224 | 5% |
| Somalia | 218 | 5% |
| DR Congo | 195 | 4% |
| Chad | 180 | 4% |
| Sub-Total | 3,023 | 63% |
| Other Countries | 1,800.8 | 37% |
| Total | 4,823.8 | 100% |

Operational Requirements By Region



Contributions, including Forecasts

Total Funding/ISC Income Trend 2007-2014



*Based on total contribution income as per Financial Statements

**Estimated

***Forecast



Management Result Dimensions

MRD1

- **Securing Resources:** All issues relating to the mobilization of the resources necessary to carry out WFP's work and implement organizational strategy

MRD2

- **Stewardship:** All issues relating to the effective management of the resources under WFP's control.

MRD3

- **Learning and Innovation:** All issues relating to the identification, documentation and dissemination of lessons learned and skills needed to improve the performance of the organization.

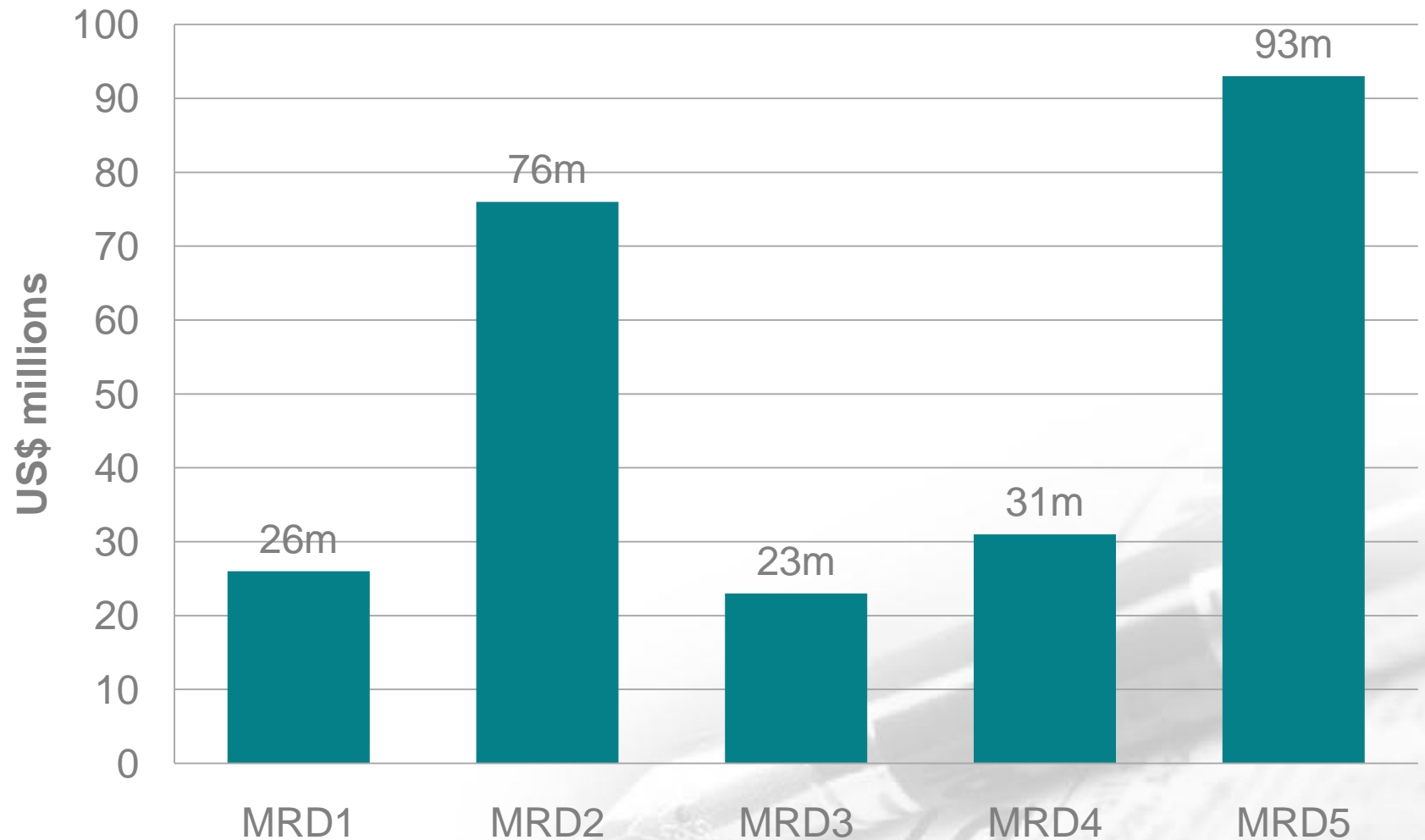
MRD4

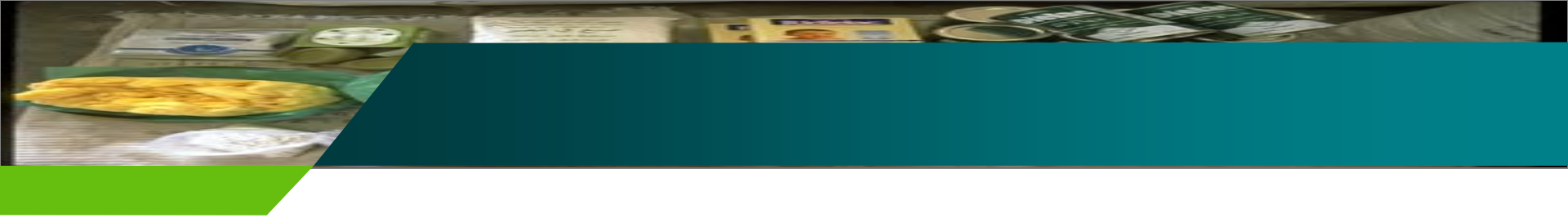
- **Internal Business Processes:** All issues relating to provision and delivery of the support processes necessary for the continuity of WFP's operations.

MRD5

- **Operational Efficiency:** All issues relating to the timeliness, cost-efficiency, continuity and appropriateness of WFP response.

PSA Budget by Management Result Dimension





2. One Time Investments





One Time Investments

- Please provide additional information and cost breakdown for One Time Investments
- How are the One Time Investments funded?
- What happens if the projected funding does not materialize?



One Time Investments

- Additional information and cost breakdown for US\$22.2 million in One Time Investments*
 - COMET US\$1.7 million
 - Finalization of Strengthening Managerial Control Accountability (SMCA) Initiative US\$1.8 million
 - Strategic Budgeting Review US\$1.9 million
 - Financial Risk Management for Cash & Vouchers US\$1.4 million
 - Training and Staff Development US\$2.1 million
 - Logistics Execution System Pilot Project US\$3.0 million
 - Finalization of IT Initiatives US\$10.3 million

* Excludes US\$0.9 million for completion of Treasury Management System from General Fund



One Time Investments

- COMET Monitoring and Evaluation Tool
 - US\$1.7 million
 - A tool to plan, measure and monitor performance and project results throughout the project life-cycle
 - 2012 allocation will complete COMET-basic and field roll-out
- Finalization of Strengthening Managerial Control and Accountability (SMCA) Initiative
 - US\$1.8 million (includes US\$0.5 million “carry-over”)
 - Support Statement on Internal Control Process and Risk Assessment Rollout
 - Strengthen delegated authorities, key manuals and financial policies
 - Support management follow up of oversight recommendations



One Time Investments

➤ Strategic Budgeting Review

- US\$1.9 million
- DSC analysis and benchmarking
- Incentivize efficient spending
- Track efficiency of expenses in projects and monitor return on investment

➤ Financial Risk Management for Cash and Vouchers

- US\$1.4 million
- Financial Sector Capacity Assessment at the country level
- Guidance on risk assessments of cooperating partners and service providers
- Internal Control & Risk Assessment framework



One Time Investments

- Training and Staff Development
 - US\$2.1 million
 - Training in the context of workforce re-profiling
 - Continuation of management development programme
 - Launch of PASPORT (local payroll system)
- Logistics Execution System (LES) Pilot Project
 - US\$3.0 million
 - Pilot phase completion and testing in two country offices
 - Creates a more robust Supply Chain Management system and improved inventory management, accountability and tracking



One Time Investments

- Finalization of IT Initiatives: FoodLink, Connect, 1Truth and EPIC
 - US\$10.3 million

- FoodLink
 - Increase data and voice communications bandwidth for field
 - Lower cost services
 - Improve service availability
 - Standardize the system management services, in particular network security

- Connect
 - Provide WFP with a unified communications solution
 - Provide a user 'presence' indicator, chat/video conferencing and desktop sharing service
 - Deliver a Microsoft SharePoint based knowledge management and collaboration work space.



One Time Investments

- Finalization of IT Initiatives: FoodLink, Connect, 1Truth and EPIC
 - US\$10.3 million

- 1Truth
 - Build an Information Architecture providing accurate and timely information across all WFP divisions
 - Consolidate information stores across various applications
 - Provide tools for IT and business users to access and administer the data

- EPIC (Emergency Preparedness Integration Center)
 - Integrate operational information in a single tool
 - Create a mobile computing/communications capability and decision support platform accessible to humanitarian responders in global emergency deployments



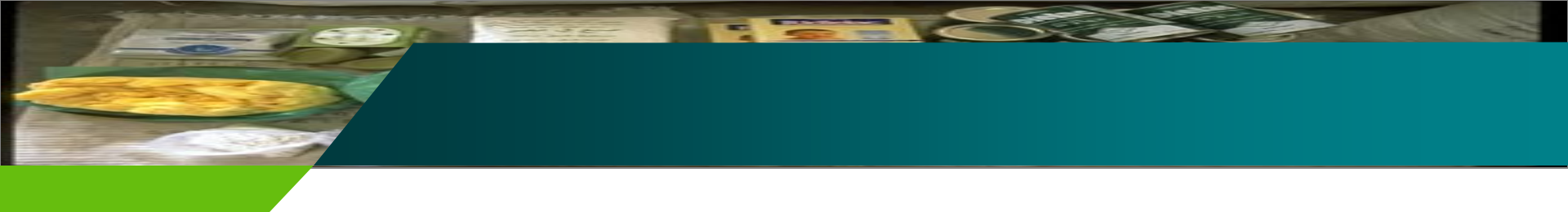
One Time Investments

- Treasury Management System (to be funded from General Fund)
 - US\$0.9 million
 - First Phase 2011: Implementation of the Treasury & Risk Management module for foreign exchange transactions, deposits and money market investments
 - Full Implementation by October 2011
 - Targeted benefits related to first phase are US\$1.25 million per annum
 - Second Phase 2012: Integration of WFP's ERP with banking systems
 - Implementation will start last quarter of 2011 and will be completed within a six month period
 - Targeted cost savings and efficiency improvements related to second phase are US\$0.75 million per annum



One Time Investments

- Completion of Treasury Management System to be funded from the General Fund.
- All other One Time Investments to be funded from the PSA Equalization Account.
- Investments are indirect in nature and once-off in terms of timing.



3. Questions on Strategic Direction

- Preparedness and Response Enhancement Programme
- Cash and Vouchers
- Supplemental Food Interventions





Emergency Preparedness and Response

- What is the Preparedness and Response Enhancement Programme (PREP)?
- How did it evolve?
- Who does PREP work with and how is it structured?
- How does PREP support WFP's Strategic Objectives?

- What is PREP (Preparedness and Response Enhancement Programme)?
 - Holistic approach to enhance WFP's corporate emergency preparedness and response capacity
 - Three-year (2011-2013), organisation-wide programme aligned with the current Strategic Plan
 - Programme that builds on previous experiences to identify challenges and to develop mechanisms in order to address them
 - Portfolio of 65+ interconnected direct activities within 4 thrust areas

➤ How did PREP evolve?

- June 2010 WFP Global Meeting in Madrid
February 2011 Senior Management Meeting in Rome
June 2011 Executive Board Launch by the ED
- Built on the Rapid Response Working Group (RRWG) and other initiatives (e.g. SERC)
- Lessons Learned stemming from previous emergencies (2000-2010), with a focus on the 2010 corporate emergencies
- On-going feedback from WFP staff and management working in emergencies (e.g. HoA)

- Who does PREP work with and how is it structured?
 - Majority of activities implemented by HQ divisions/units, with PREP support
 - Facilitation of a comprehensive and coordinated approach
 - ODE-managed directly with relevant units
 - Through thematic, inter-divisional working groups
 - Through direct consultation with relevant stakeholders and WFP management
 - Advocacy for project funding in a multifaceted, coherent manner (e.g. Trust Fund, XB, SRAC, SO, Working Capital Fund)
 - Field-level coordination applies the EPRO network and engages DRDs and representative COs.

- How does PREP support WFP's Strategic Objectives?
 - Focus on:
 - **SO1** - Save lives and protect livelihoods in emergencies
 - **SO2** - Prevent acute hunger and invest in disaster preparedness and mitigation measures

[Linkage to SO5 - Strengthen the capacities of countries to reduce hunger, including through hand-over strategies and local purchase]



Targeted Cash and Voucher Scale-Up

- What is WFP's strategy for reaching the cash and voucher targets outlined in the Management Plan?
- How is the strategy influenced by learning to date from the pilots?
- How do partnerships with other organizations factor in to WFP's cash and voucher scale up plans and exit strategies?

Targeted Cash and Voucher Scale-Up

Three-phase approach

2011

2012

2013...

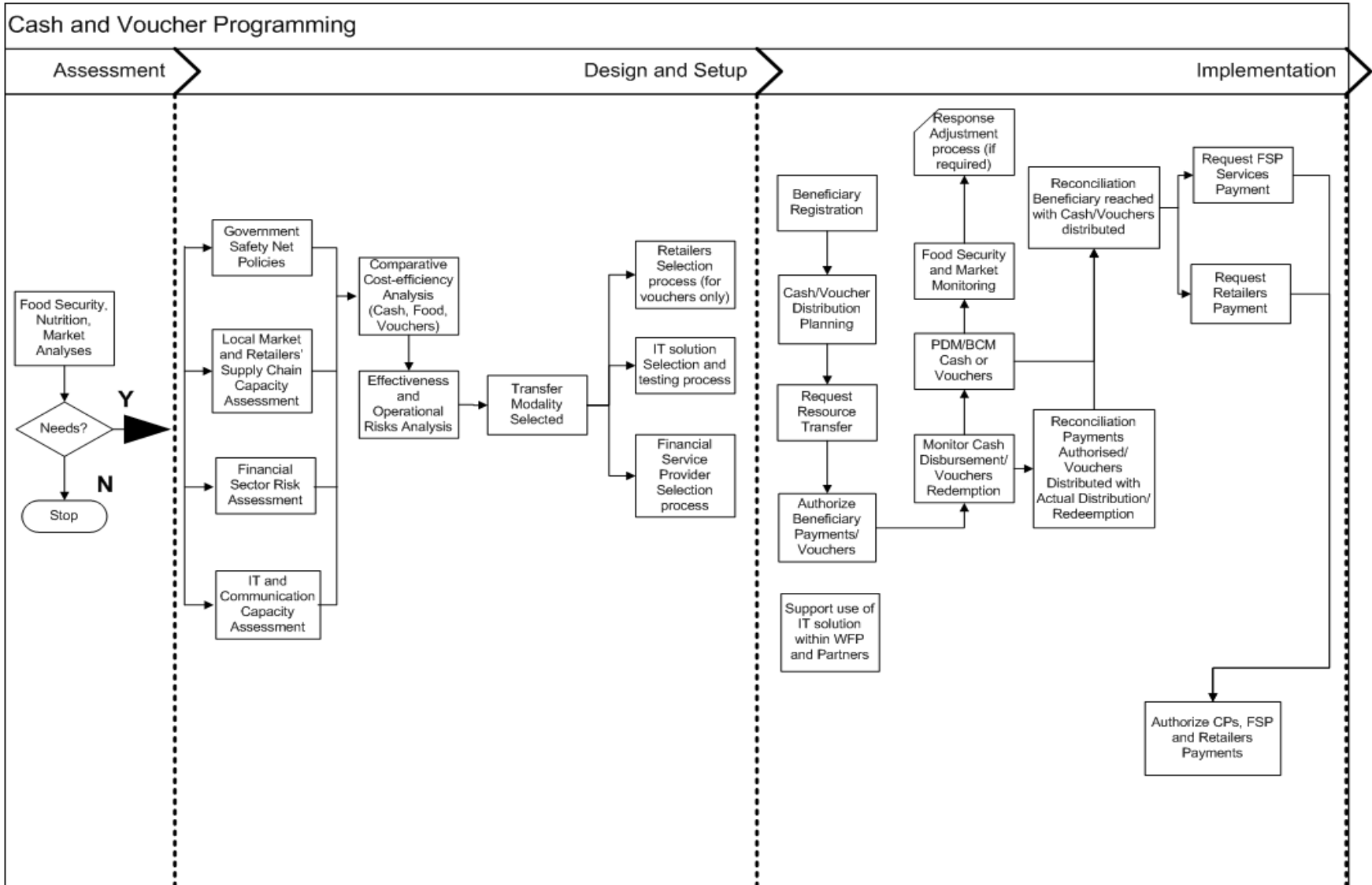
**Building from early
adopters**

**Implementation and
Capacity Building**

Large scale deployment

- **Phase 1 - Building from early adopters**
 - Piloting and Learning
 - Review distribution modalities
 - Develop C&V distribution models for scalable deployment
 - Adapt system and processes to integrate C&V distribution models

Targeted Cash and Voucher Scale-Up



➤ **Phase 2 - Building Capacities**

- Implement integrated business process
- Set-up corporate systems
- Roll-out supporting tools
- Develop cross-organization capacity building
- Train field staff
- Leverage partnerships
- Assess resource requirements for next step

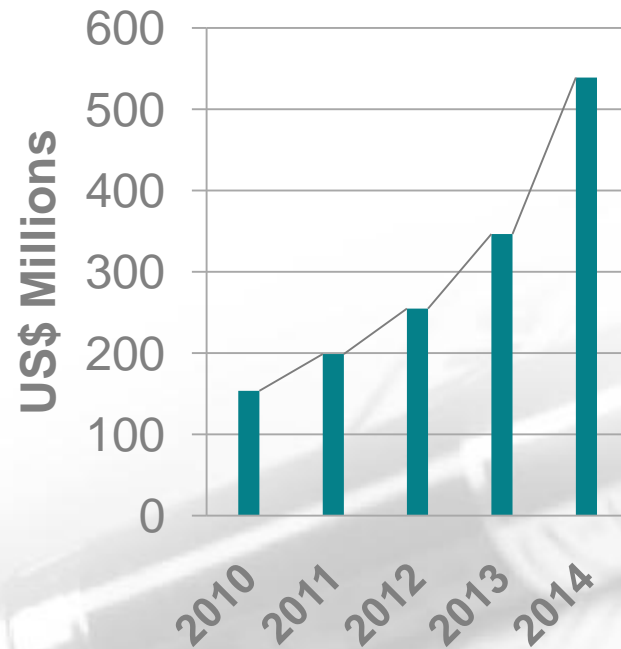
Targeted Cash and Voucher Scale-Up

➤ Phase 3 - Large scale deployment

- With systems and processes in place, staff trained and leveraging new/enhanced partnerships:

- Progressive deployment of Cash and Voucher transfer modalities in WFP operations
- Increase expected to reach 30-40% of total WFP operations over the next five years

Cash and Vouchers





Targeted Supplemental Food Interventions

- What is WFP's strategy for the use of nutritional food products?
- How do our plans relate to UNICEF?
- What are the staffing implications?



Targeted Supplemental Food Interventions

Nutrition-Specific Interventions

**Treating moderate
acute malnutrition**

**Preventing
acute malnutrition**

**Preventing chronic
Malnutrition**



Addressing micro-nutrient deficiencies





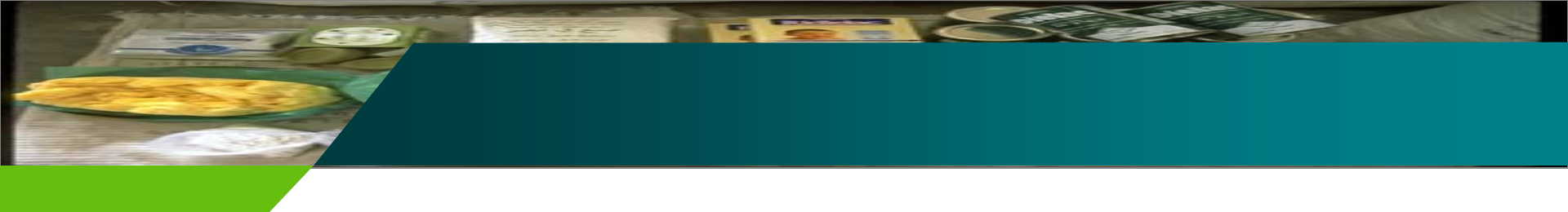
Targeted Supplemental Food Interventions

- How do our plans relate to UNICEF?
 - Joint MOU with clear roles for acute malnutrition response, and for joint assessment and advocacy
 - Global Nutrition Cluster as humanitarian coordination platform
 - Scaling up home fortification programming in >50 countries.
 - Exploring ways to join efforts in supply chain management, production site audits, harmonised packaging and quality
 - REACH partnership and complementarities



Targeted Supplemental Food Interventions

- What are the staffing implications?
 - Sensitizing and equipping with basic knowledge, skills, information and organisational tools
 - Strategic recruitment of nutrition practitioners against vacant posts
 - Augment nutrition staff at RB and CO level
 - Immediate deployment of nutrition practitioners as first response in emergencies
 - Enhanced partnerships with academic institutions, donors, etc.



4. Additional Information

- Capacity Augmentation
- PSA Budget by Location
- Mainstreaming Clusters
- Workforce Re-Profiling
- Direct Support Cost





Capacity Augmentation

- What is Capacity Augmentation under the new Financial Framework?
- What is the composition of the US\$308 million capacity augmentation?
- How did WFP arrive at the capacity augmentation figure and what percent of WFP's operating requirements has capacity augmentation been previously?

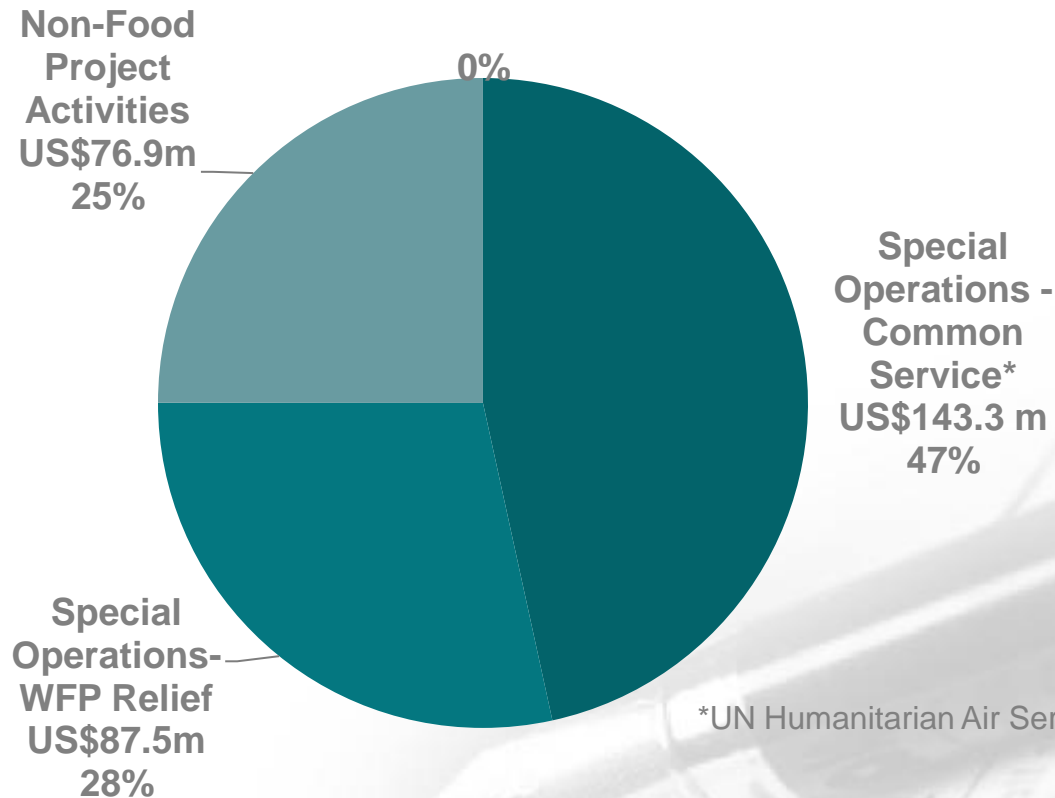


Capacity Augmentation

- What is Capacity Augmentation under the new Financial Framework?
 - Integrated activities which establish, strengthen or augment the institutions, infrastructure and processes necessary to manage food security programmes.
 - Incorporates all activities currently implemented under special operations: logistics augmentation, fleet augmentation, emergency infrastructure and UN common services.
 - Activities currently implemented under EMOPs, PRROs and DEVs which fall under Capacity Augmentation would include building national capacity.
 - Can eventually incorporate services provided on behalf of governments, such as food procurement, which are currently implemented under Trust Funds.

Capacity Augmentation

- What is the composition of the US\$308 million capacity augmentation?



*UN Humanitarian Air Service



Capacity Augmentation

- How did WFP arrive at the capacity augmentation figure and what percent of WFP's operating requirements has capacity augmentation been previously?
 - Capacity augmentation requirements were collected following the same process as other operational requirements (i.e. bottom-up)
 - Capacity augmentation is a new cost category therefore there are no comparators
 - However, special operations (75% of capacity augmentation) is similar to 2011 levels.



PSA Budget

- What is the PSA allocation by HQ and Field?
- How are Cluster Leadership and AOJ being mainstreamed into the PSA budget?
- Does WFP work from a baseline/core budget for personnel?
- Why are certain staff costs increasing while WFP is proposing Workforce Re-Profiling and targeted buyouts?
- Has the UN system undertaken staff buyouts before? Is this precedent-setting?

PSA Budget “By Location”

➤ What is the PSA allocation by HQ and Field?

Composition of 2012 PSA Proposal (US\$ millions)

| | 2011 Approved | Add'l Int+Nat Staff Cost | Mainstr. Clusters +AOJ | HQ Budget Reduction | Field Conting. Fund | Add'l Support to CO | 2012 Proposal |
|--------------|------------------|--------------------------------|------------------------------|---------------------------|---------------------------|---------------------------|------------------|
| Field | 72.8 | 4.0 | 0.7 | - | -3.5 | 0.6 | 74.6 |
| HQ | 168.6 | 3.3 | 4.7 | -5.6 | 3.5 | | 174.5 |
| Total | 241.4 | 7.3 | 5.4 | -5.6 | - | 0.6 | 249.1 |

PSA Budget

➤ Additional International and National Staff Costs:

| | Add'l Int+Nat Staff Cost |
|--------------|-----------------------------------|
| Field | 4.0 |
| HQ | 3.3 |
| Total | 7.3 |

- International Staff Costs are governed by ICSC decisions [mandatory]
- US\$4.8 million reflects expected impact of these decisions on PSA in 2012
- US\$2.5 million represents estimated increase in PSA funded National Staff

PSA Budget

➤ Mainstreaming Cluster Leadership and Administration of Justice

| | Mainstr. Clusters + AOJ |
|--------------|-------------------------|
| Field | 0.7 |
| HQ | 4.7 |
| Total | 5.4 |

- Total amount mainstreamed US\$5.35 million
 - Cluster Leadership US\$3.8 million
 - Administration of Justice US\$1.55 million

Mainstreaming Clusters

- How is Cluster Leadership being mainstreamed into the PSA budget?

Amounts Streamlined for ICT, Logistics and Food Security Clusters (US\$)

| | |
|--|------------------|
| ICT Cluster in IT Division (ODI) and Regional Bureaux: Staff Count: 6 positions | |
| ODI Staff and Non Staff Costs | 676,656 |
| RBX Staff Costs | 690,192 |
| Global Logistics Cluster in Logistics Division (ODL): Staff Count: 9.5 positions | |
| Staff and Non Staff Costs | 1,824,702 |
| Food Security Cluster in Management and Emergency Preparedness (ODE): Staff Count: 3 positions | |
| Staff and Non Staff Costs | 608,450 |
| Total | 3,800,000 |

Mainstreaming Clusters

- How is Administration of Justice being mainstreamed into the PSA budget?

Amounts streamlined for Administration of Justice (US\$)

| | |
|---|------------------|
| Office of Inspector General and Oversight (OS): Staff count: 4 positions Staff and Non Staff Costs | 654,372 |
| Legal Office (LEG): Staff count: 2 positions Staff and Non Staff Costs | 380,384 |
| Human Resources Division (HR): Staff count: 3 positions Staff Costs | 480,060 |
| Ethics Office (EO): Non Staff Costs | 40,000 |
| Total | 1,554,816 |



PSA Budget

➤ HQ Budget Reduction

| | HQ Budget Reduction |
|--------------|---------------------|
| Field | - |
| HQ | -5.6 |
| Total | -5.6 |

- 3% PSA reduction for all HQ divisions except Evaluation and Oversight

PSA Budget

➤ Field Contingency Fund Reallocation

| | Field Conting. Fund |
|-------|---------------------|
| Field | -3.5 |
| HQ | 3.5 |
| Total | - |


- Strengthen Emergency Preparedness
 - Rapid deployment of staff and equipment to set-up IT infrastructure and services
- Maintain a centralized data centre and applications
 - Greater cost effectiveness through competitive rates
 - Links CO/RB/HQ in a global network enabling free teleconferencing and limited video conferencing
 - Reduces the recurring cost of hardware expenses
- Support future initiatives, e.g. Logistics Execution System and Cash for Change
 - Alleviates need for local solutions and infrastructure for each office



PSA Budget

➤ Additional Support to Country Offices, including:

| | Add'l Support to CO |
|--------------|---------------------|
| Field | 0.6 |
| HQ | - |
| Total | 0.6 |

- Additional amounts to Regional Bureaux
 - Reductions of PSA to non-operational Country Offices
 - Increase in PSA in certain Country Offices
- 

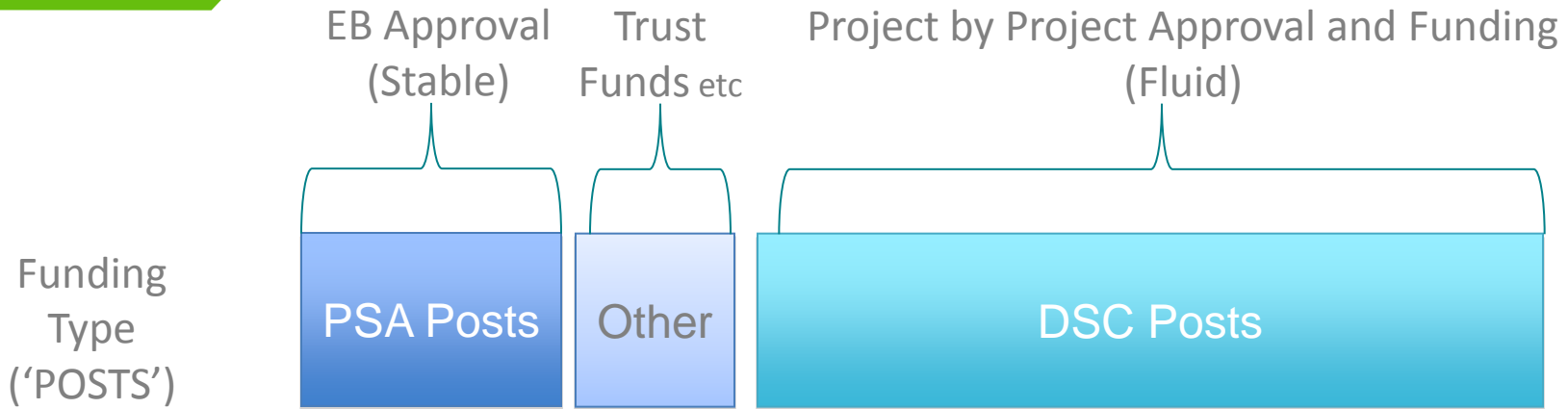


Workforce Planning Background

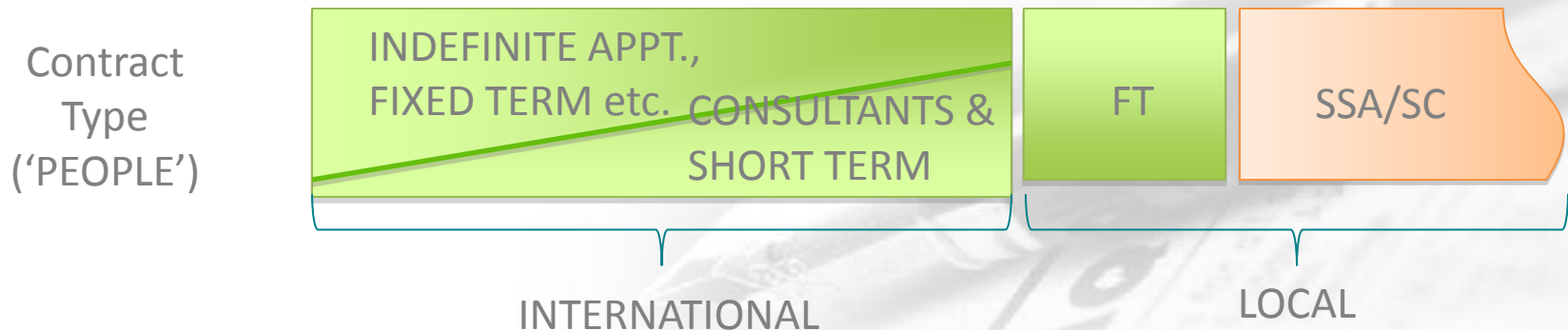
- WFP workforce is:
 - geographically dispersed; and
 - funded from many different funding sources, all of them voluntary.

- Therefore international staff are mobile and all staff can be moved from one funding source to another.

POSTS and PEOPLE - ILLUSTRATION



**NO PERMANENT LINK BETWEEN FUNDING AND CONTRACT
(THEREFORE: REASSIGNMENT PROCESS Etc.)**





Work Force Re-Profiling Exercise

- In addition to the regular matching of staff to needs and funding, to facilitate WFP's move from a Food Aid agency to a Food Assistance agency it is necessary to:
 - Ensure staff and managers have the necessary skills and competencies.
 - Identify gaps where skills are not positioned to meet these new organizational requirements.
 - Implement strategies to ensure such gaps are addressed.
 - Re-Training
 - Re-Profiling Workforce



Work Force Re-Profiling Exercise

- HR is conducting a strategic skills audit of current and anticipated workforce capabilities of the international professional staff.
- The review aims to identify the skills and knowledge requirements necessary for the successful implementation of the strategic plan.
- The three phases of the audit include the following:
 - Identification of future skills and knowledge requirements
 - Assessment of current capabilities in terms of quantity and quality of required skills
 - Development of a workforce plan to transition into the future; addressing identified challenges and proposing strategies

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Work Force Re-Profiling Exercise

- In order for WFP to strategically re-align the existing workforce while staying within the 2012 budget re-training alone will not be sufficient, new talent may need to be recruited externally.
- As a way of allowing WFP to strategically realign the existing workforce a voluntary separation programme is proposed.
- An allotment of US\$10 million for a targeted separation programme is proposed.

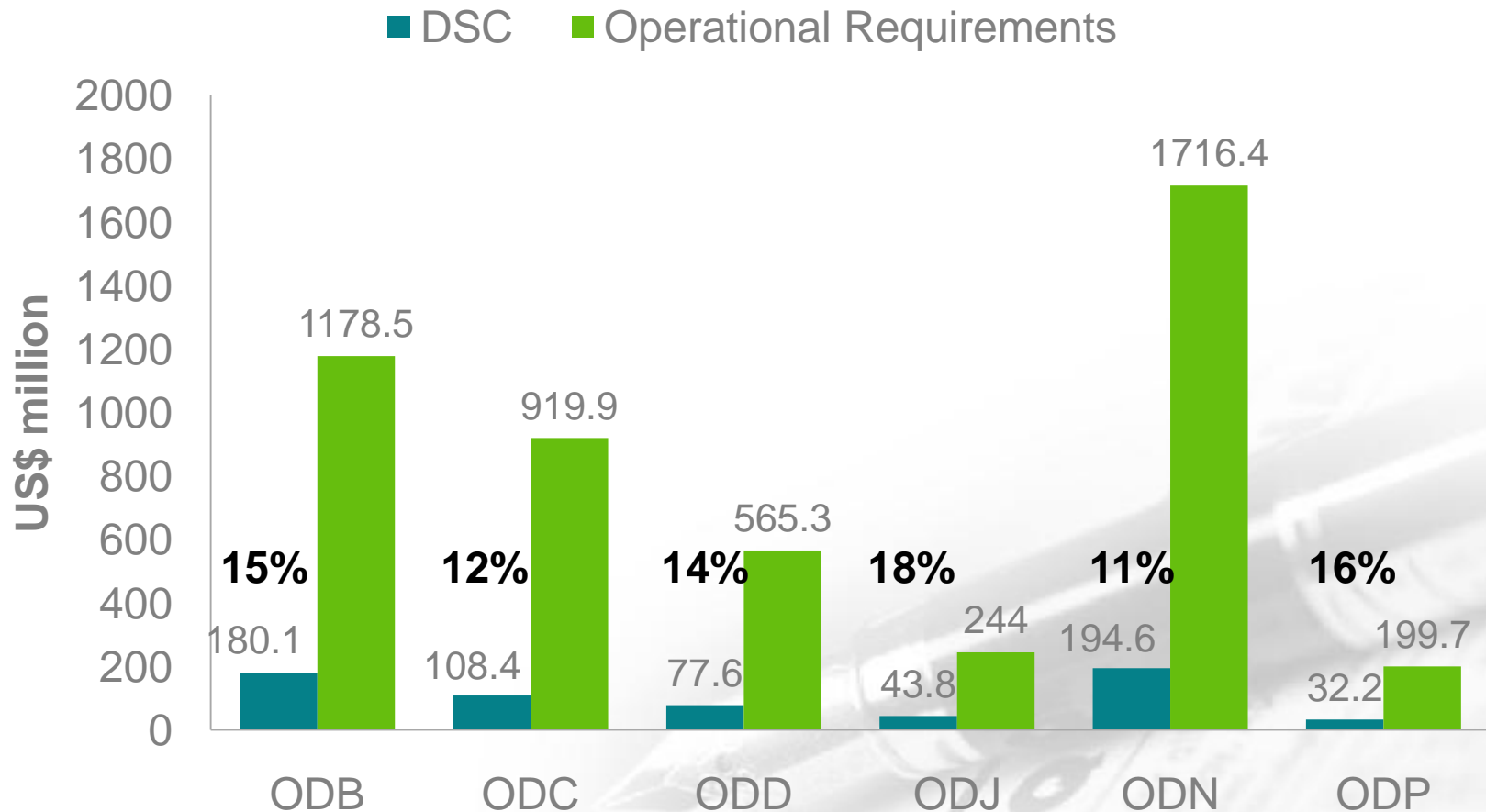


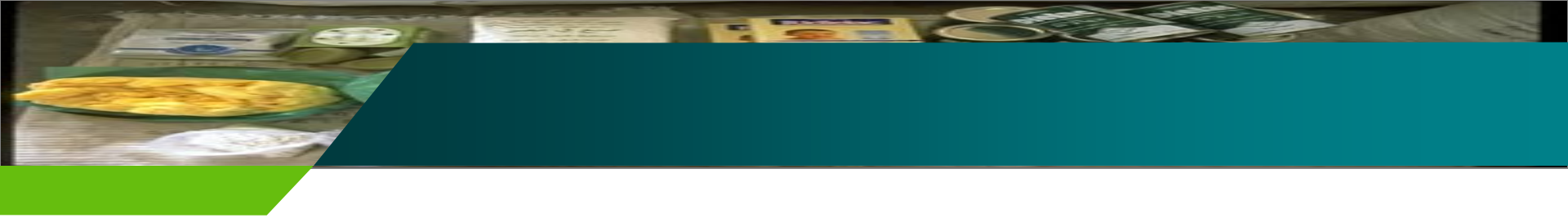
Work Force Re-Profiling Precedent

- At the annual session 2007 the Executive Board authorized a similar proposal:
 - US\$15 million released from the Self Insurance Fund for termination payments specially provided for under staff regulations and ICSC rules. *WFP/EB.A/2007/6-B/1*
 - Which gave WFP the flexibility it required to realign its workforce based on needs (in terms of numbers and skill sets).

Direct Support Cost

➤ What is the Direct Support Cost by Region?





THANK YOU

