



CORPORATE PLANNING AND PERFORMANCE (CPP)

WFP Management Plan (2023-2025)

Second EB Informal Consultation


September 2022



World Food Programme

SAVING LIVES
CHANGING LIVES

Structure of the presentation

- 
- **Global operational context**
 - **Funding and resourcing assumptions**
 - **Operational requirements and provisional implementation plan**
 - **Programme Support & Business Operations**
 - WFP's 2023 comprehensive budget
 - Management Results Measurement
 - PSA Budget
 - Status of the PSAEA & Proposed Drawdowns
 - Status of Reserves
 - **Strategic financing facilities**

GLOBAL, OPERATIONAL AND FUNDING CONTEXT

OPERATIONAL REQUIREMENTS / PROVISIONAL IMPLEMENTATION PLAN FOR 2023



Global and Operational Context



Global, economic and political context

- **Hunger** on the rise; **malnutrition** persists across all regions
- **Conflicts** have risen markedly over the past decade; the **climate crisis** is accelerating; the COVID-19 pandemic's economic fallout and the greatest **cost-of-living-crisis** in a generation are impacting food security
- **High fuel and fertilizer prices** could turn a food access crisis into a food availability crisis
- Significant **slowdown in economic growth** and the **highest level of inflation** in four decades





Operational context


- Growth in **size and complexity** of WFP's operational activities in response to the global food crisis
- Importance of WFP efforts to reduce **mortality**
- A **new strategic plan and CRF (2022-2025)** to improve corporate performance, planning, monitoring, and reporting processes
- Four **priority management results** for PSBO, including effectiveness in emergencies
- **PSA budget** increased in response to inflation, corporate priorities, volume and complexity of operations


Context of WFP's emergencies, 2011-2022


WFP is operating in an environment of protracted complex emergencies and increasing food insecurity


- Outbreak 


- COVID-19 in 2020 


- Complex Emergency 

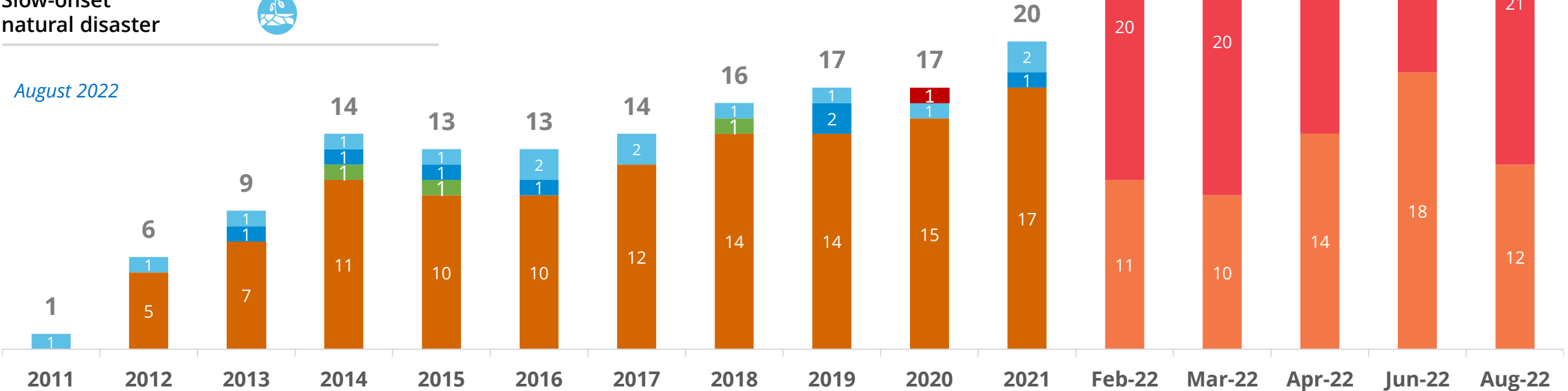
- Sudden-onset natural disaster 

- Slow-onset natural disaster 

- Corporate Scale-up 

- Corporate Attention 

- Early Action and Emergency Response 



Funding Context and Resourcing Assumptions

WFP to **broaden its donor base** and **diversify its funding resources**



Funding context

- Rising **contributions trend**
- Growing **operational needs** and **funding gap**



Strengthening and diversifying donor base

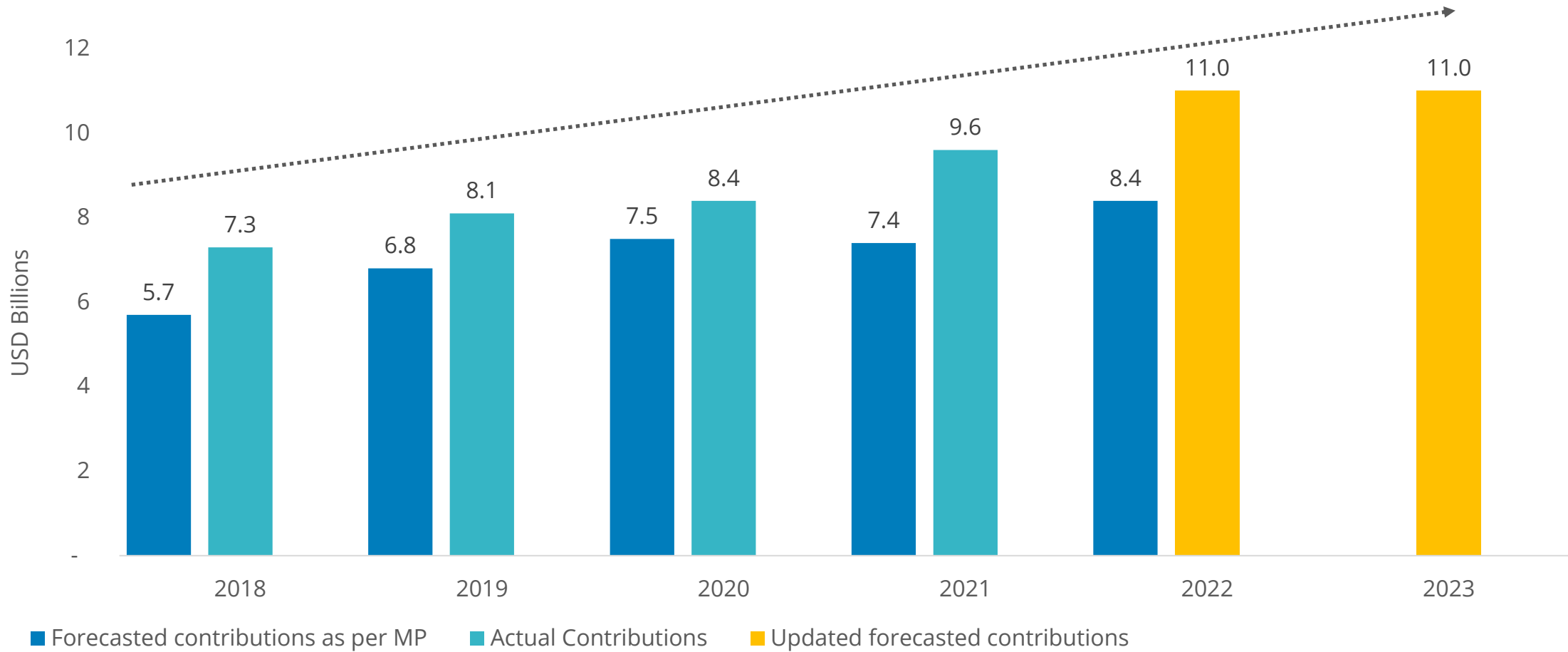
- Intensify partnerships with **IFIs**, collaboration with **host governments, UN partners** and the **private sector**
- Continue exploring **thematic opportunities** (social protection, climate financing and school feeding)
- Promote **anticipatory actions** to optimize the use of financial resources



Funding flexibility and predictability

- Continue to enhance **visibility, transparency** and **reporting** on flexible and multi-year funding
- Continue to identify opportunities to **reduce earmarking** and increase flexible contributions

Actual contributions exceed projections and have grown steadily



Operational Requirements and Provisional Implementation Plan



Response to the global food crisis

- Activated a **corporate scale-up response** to address immediate impacts of the global food crisis
- Working with partners to invest in **disaster risk management and preparedness, food systems and social protection**



2023 operational requirements and Provisional implementation plan

- Presented by **focus area, strategic outcome, activity category and transfer modality**



Cross-cutting priorities

- Focus on **gender equality and women's empowerment; protection and accountability to affected populations; environmental sustainability; and nutrition integration**



High level targets

- Based on an analysis of needs and WFP's operational response



Special Accounts and Trust Funds

- Trust funds and Special Accounts supporting SDG 17 and CSP activities


2023 Operational Requirements and Provisional Implementation Plan: Key Figures

For EB's notation


Global Contribution Forecast
USD 11 B

Operational Requirements

Value
USD 19.7 B


 41% increase from MP 2022

Targeted Beneficiaries
150.5 M


 21% increase from MP 2022

Provisional Implementation Plan

Value
USD 12.0 B

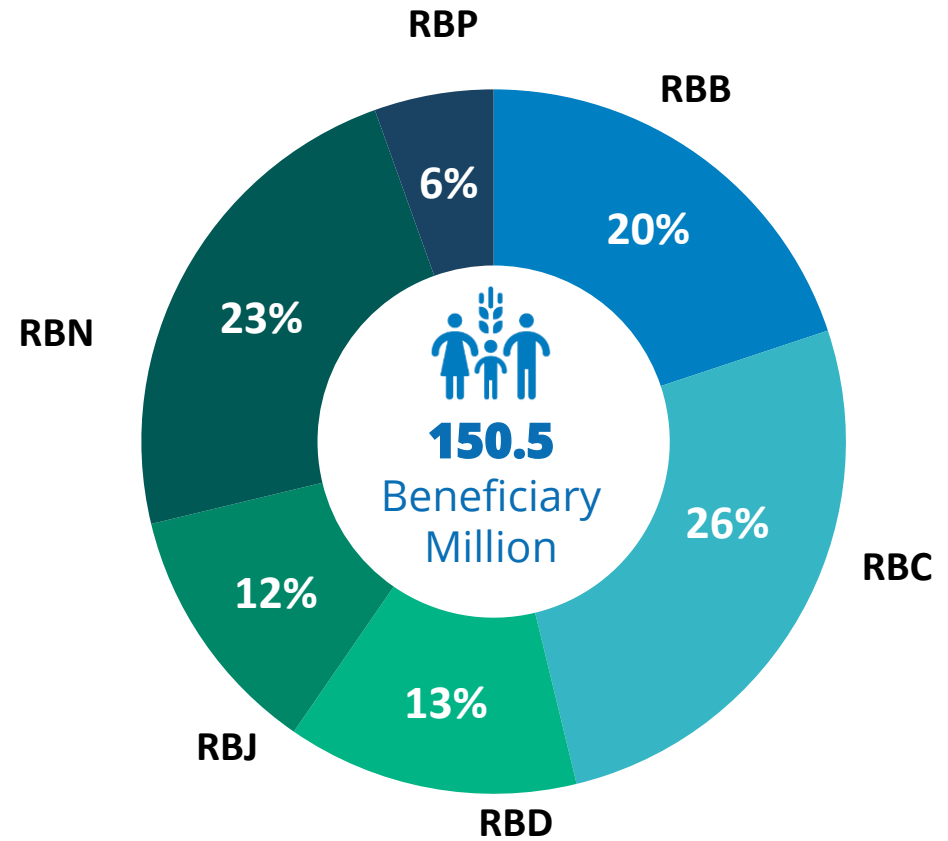
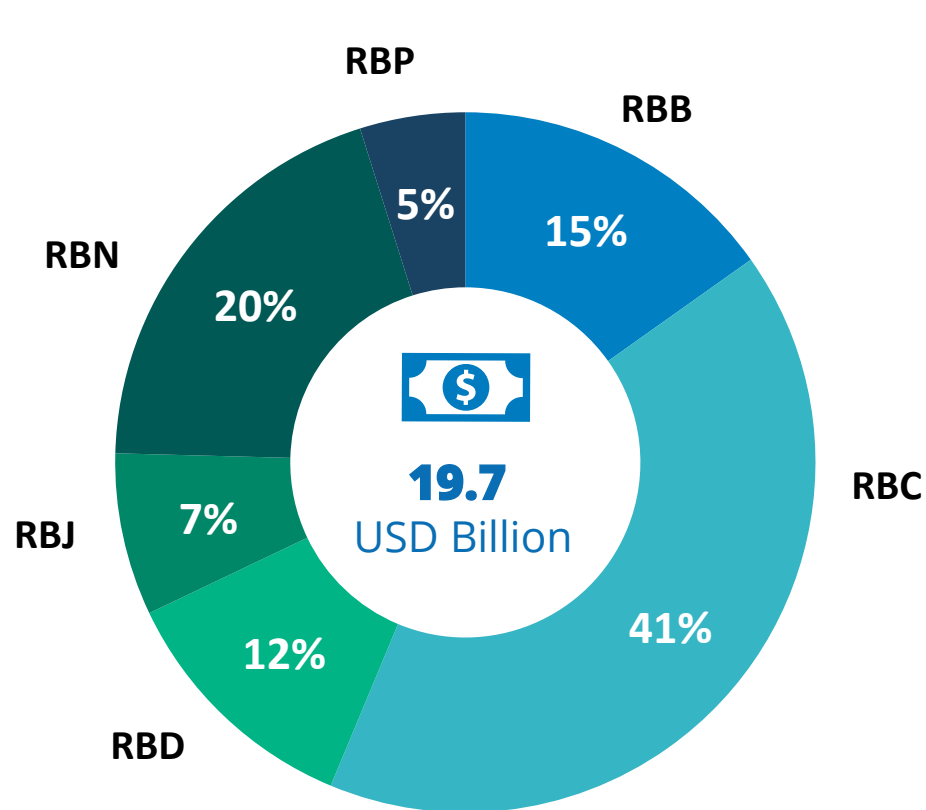
 61% of 2023 operational requirements

Targeted Beneficiaries
140.0 M

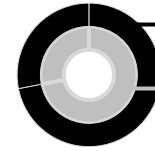
 93% of operational requirements' beneficiaries targeted

2023 Operational Requirements Analysis - by RB

Top 3 Regional Bureaux with the largest share of operational requirements and targeted beneficiaries are RBC, RBN and RBB.



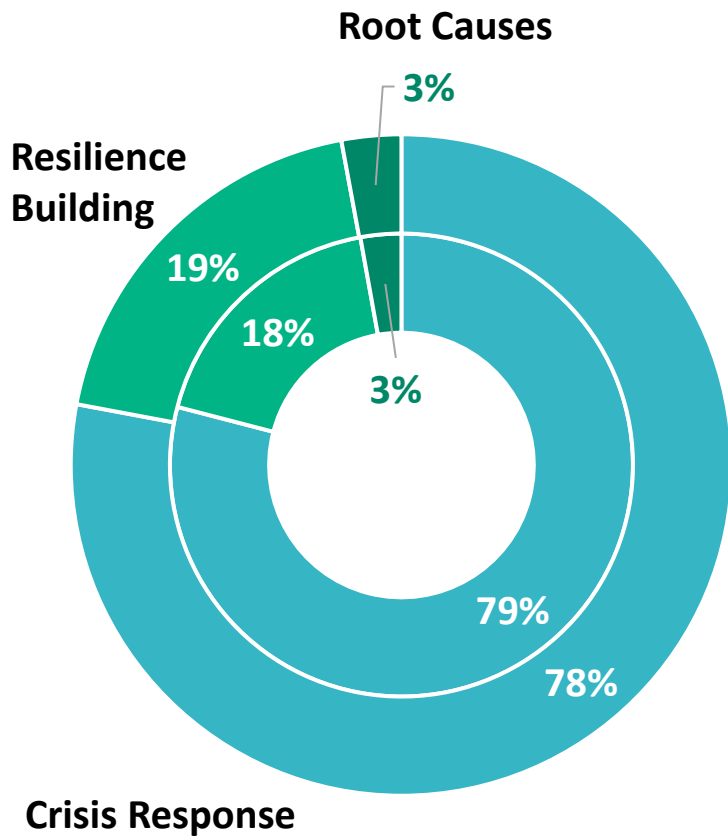
2023 Operational Requirements vs. Provisional Implementation Plan



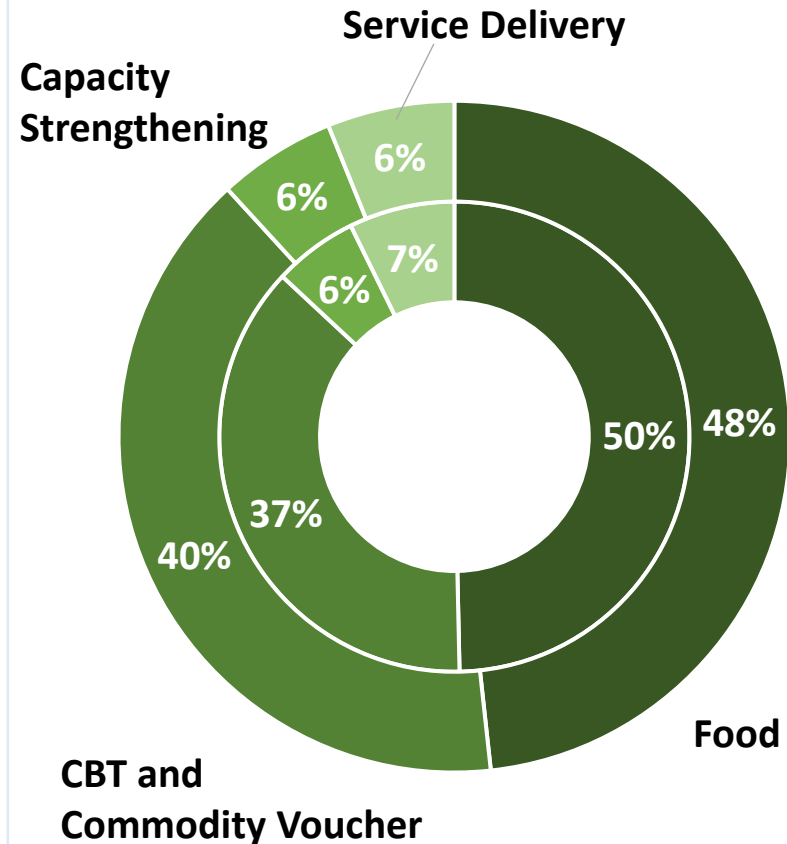
Outer circle: Operational Requirements

Inner circle: Provisional Implementation Plan

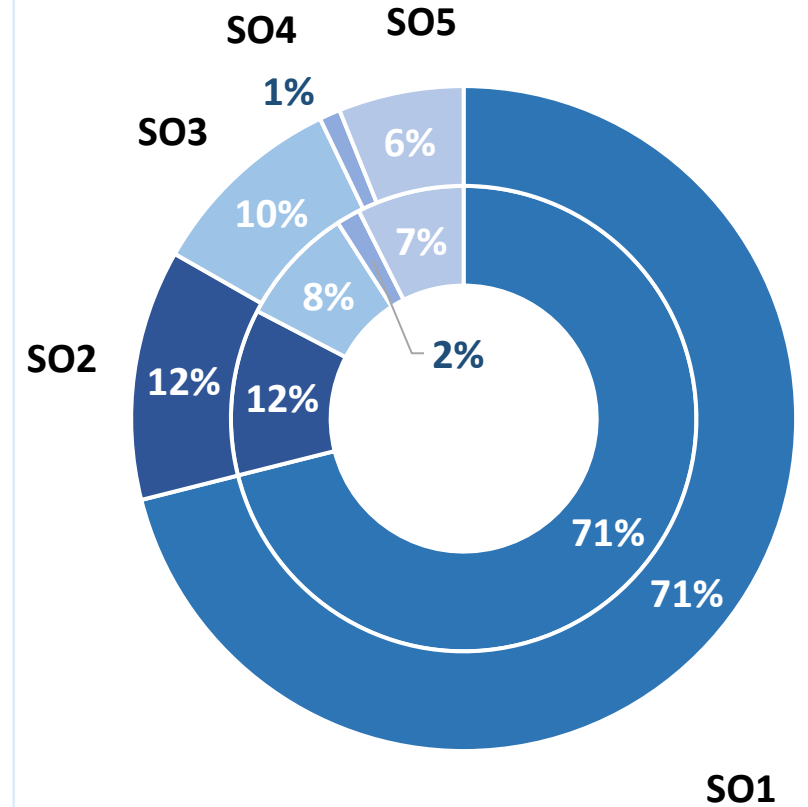
Focus area



Transfer Modality



Strategic Outcome



GLOBAL, OPERATIONAL AND FUNDING CONTEXT

OPERATIONAL REQUIREMENTS / PROVISIONAL IMPLEMENTATION PLAN FOR 2023

Q&As



World Food Programme

PROGRAMME SUPPORT & BUSINESS OPERATIONS



World Food Programme

Total Budget (in USD millions)

| PROGRAMME SUPPORT AND BUSINESS OPERATIONS | | | | |
|---|------------|----------------|-------------------|--------------|
| | Baseline | Other Services | Direct Activities | Total |
| 2023 | 752.6 | 55.7 | 139.3 | 947.5 |
| 2022 | 632.8 | 67.8 | 123.7 | 824.3 |
| % change | 19% | -18% | 13% | 15% |



Corporate Priorities for 2023 Baseline Budget

Strategic Plan Enablers / CRF Management Results with emphasis on MR 1, 2, 5 and 6

% Budget Share

Focus for 2023

| | | |
|---|-------------------------------------|------------|
| 1 | Effectiveness in Emergencies | 16% |
| 2 | People Management | 12% |
| 3 | Engage in Effective Partnerships | 18% |
| 4 | Effective Funding for Zero Hunger | 13% |
| 5 | Evidence and Learning | 14% |
| 6 | Leverage Technology | 9% |
| 7 | Leverage Innovation | 2% |

- Efforts to **reduce mortality**
- **four of the seven management results**
- Significant **risk and control** issues

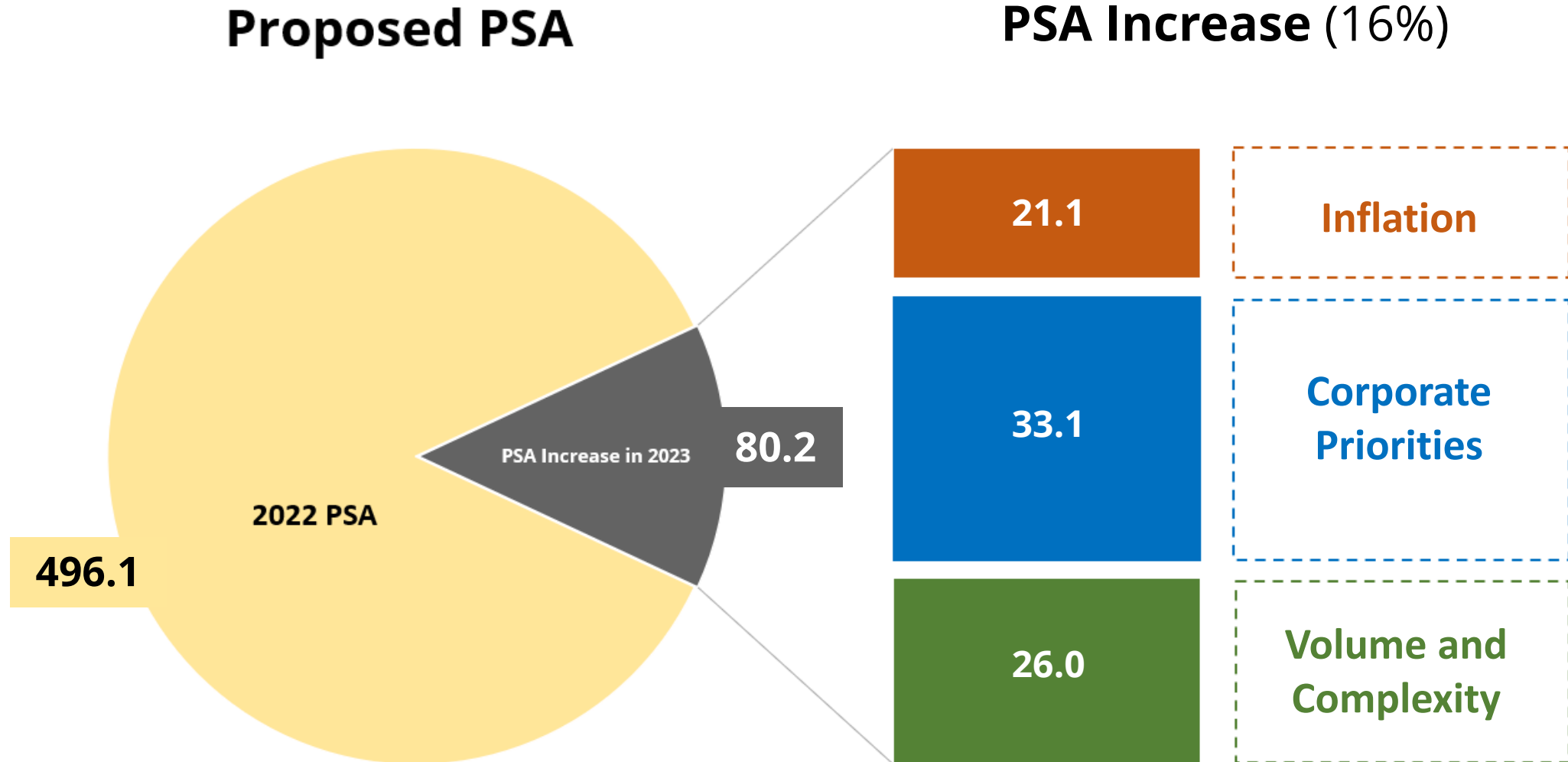
*Remaining 15 percent is associated with activities that do not contribute directly to any management result, which include transactional activities and the majority of central appropriations.

2023 Baseline by Funding Source (in USD millions)

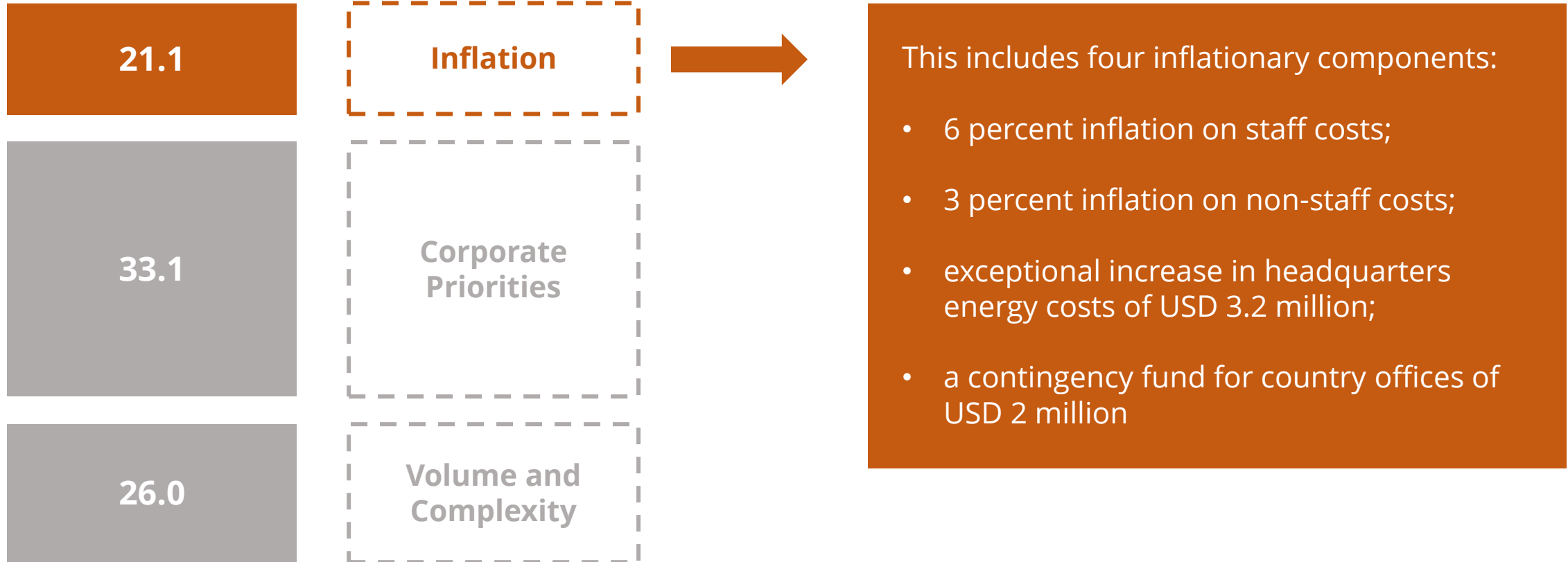
| | PSA | CCIs | Trust funds, special accounts and other funding sources | Total |
|----------------------|--------------|-------------|---|--------------|
| Recurring | 571.8 | 0.0 | 113.9 | 685.7 |
| Non-recurring | 4.5 | 58.2 | 4.2 | 66.9 |
| Total | 576.3 | 58.2 | 118.1 | 752.6 |



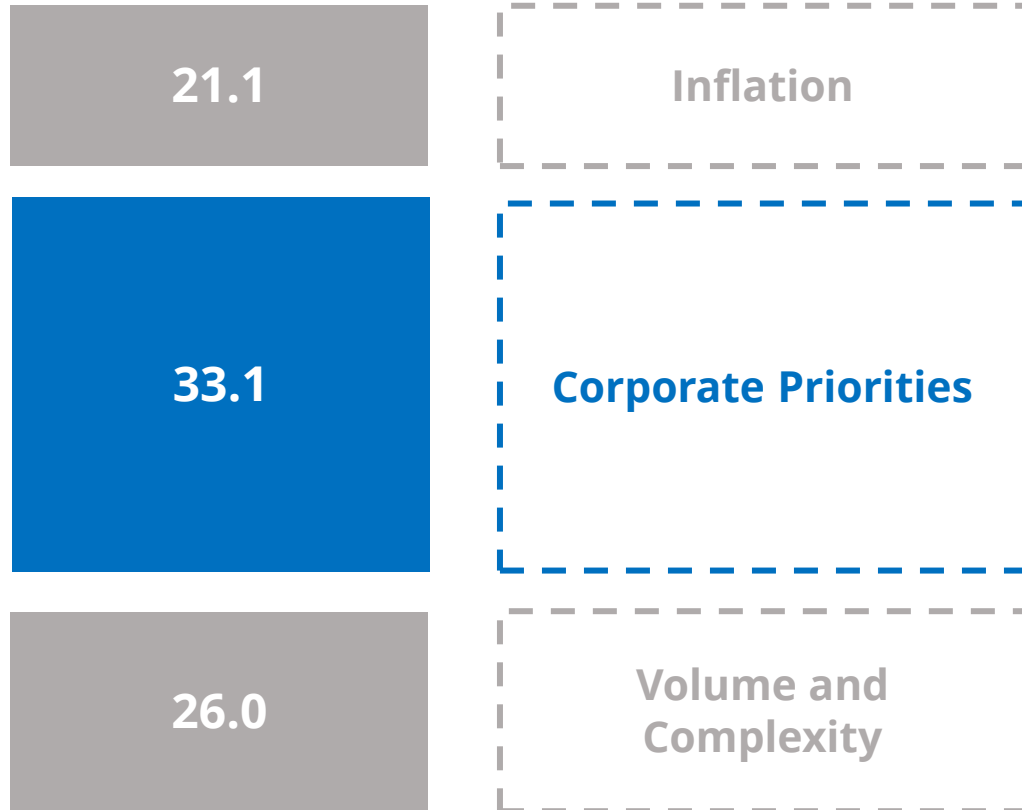
2023 proposed PSA budget increase (in USD millions)



Inflation (4%)



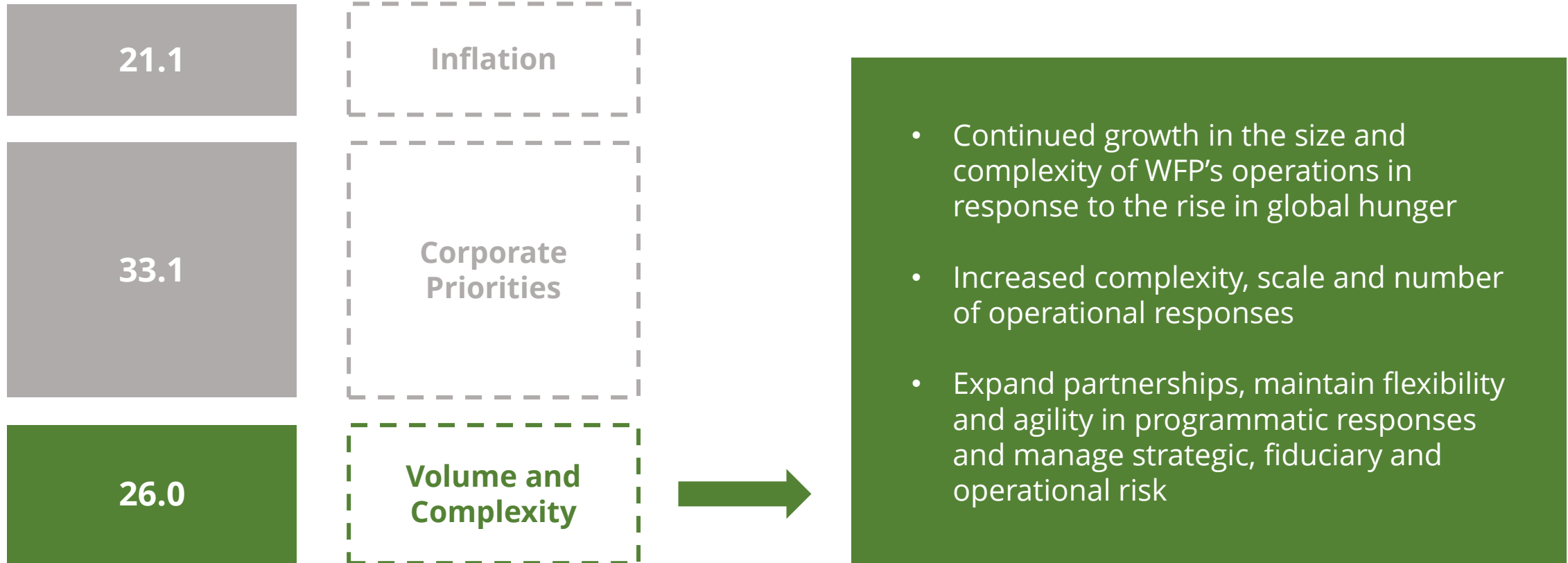
Corporate Priorities (7%)



2023 PSA increase reflects the commitment to focus on the following corporate priorities:

- Effectiveness in Emergencies
- People Management
- Evidence and Learning
- Leverage Technology
- Risk areas

Volume and Complexity (5%)



2023 PSA Budget by Appropriation Line and Pillar

| Item | USD million |
|--|-------------|
| Strategy and direction | ✓ 113.7 |
| A. Strategy and direction | 113.7 |
| Services to operations | ✓ 293.3 |
| B. Business services | 196.6 |
| C. Policy, guidance and quality assurance | 96.7 |
| Governance, independent oversight and fundraising | ✓ 169.3 |
| D. Advocacy, partnerships, fundraising and United Nations coordination | 123.2 |
| E. Governance and independent oversight | 46.1 |
| Grand Total | ✓ 576.3 |

WFP's Executive Director to **adjust** the Programme Support and Administrative component of the budget in accordance with a change in the level of **forecasted income** for the year, at a rate **not to exceed 2 percent** of the anticipated change in income

For EB's authority

For EB's approval

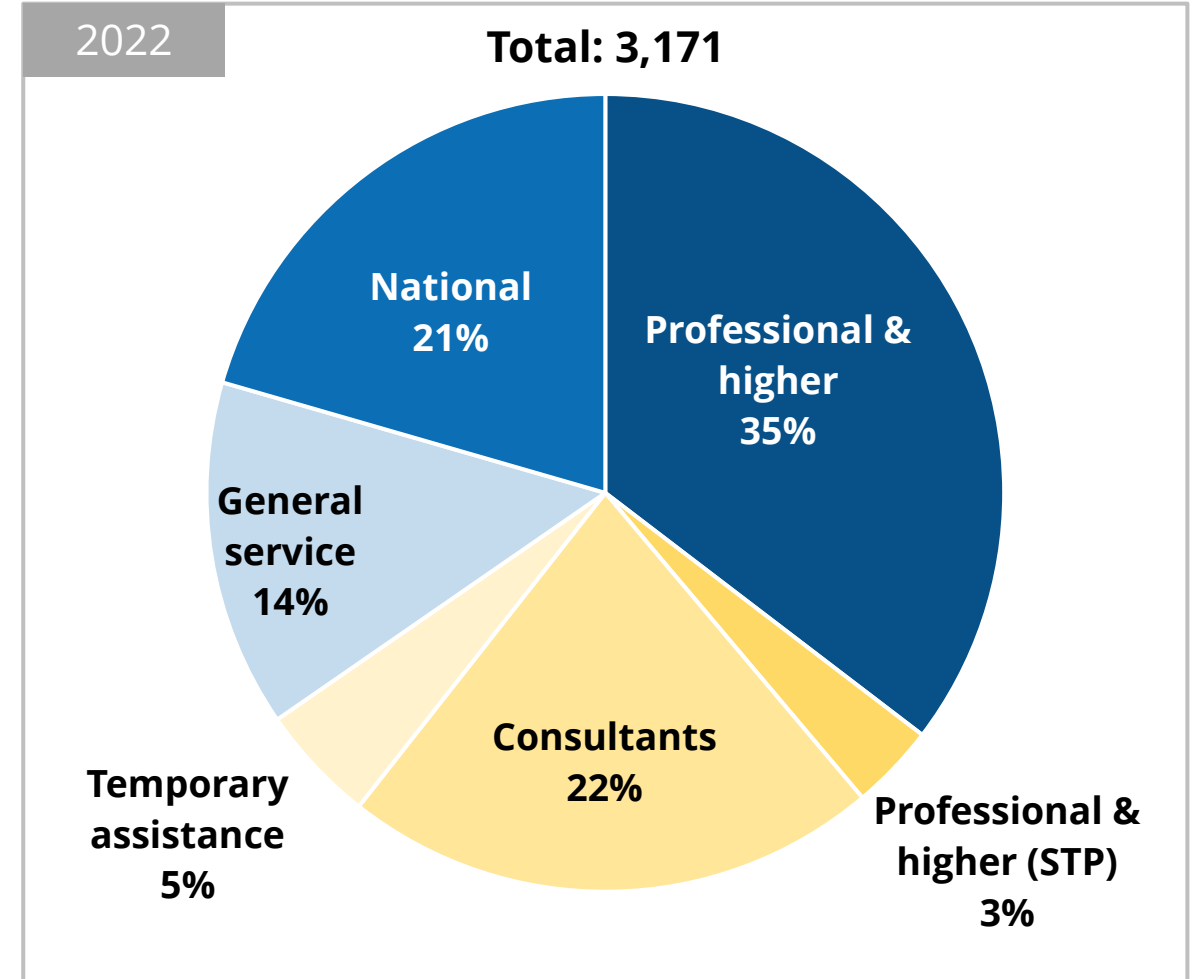
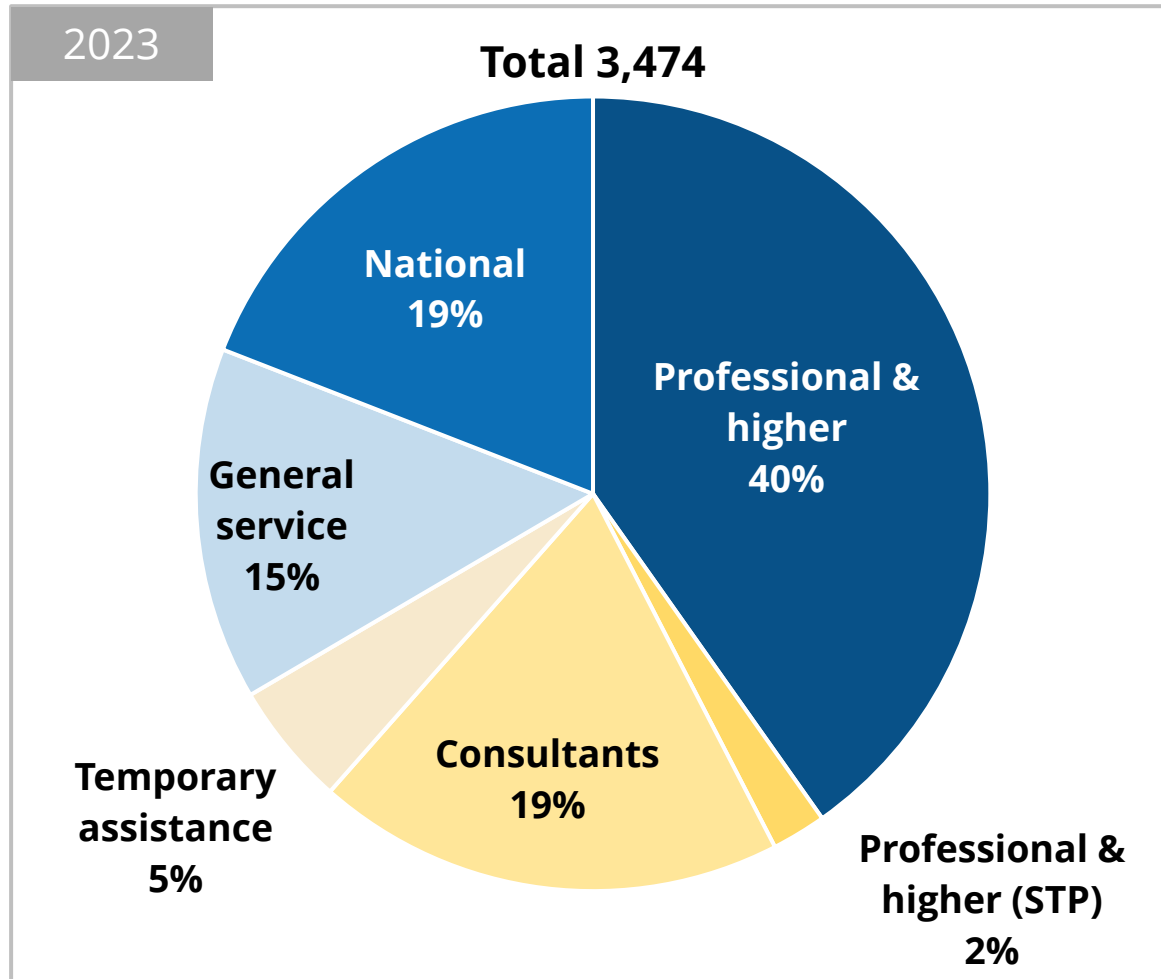
PSA Budget Trend 2022 vs 2023 (in USD millions)

| Department | 2023 PSA budget | 2022 PSA budget | % change |
|---|-----------------|-----------------|------------|
| Country offices | 43.6 | 43.0 | 1% |
| Regional bureaux | 111.7 | 105.3 | 6% |
| Headquarters | 368.0 | 319.1 | 15% |
| Operations Management Department | 9.4 | 9.1 | 3% |
| Divisions reporting to the Executive Director | 48.6 | 45.0 | 8% |
| Supply Chain, Emergencies and Security Department | 62.1 | 47.4 | 31% |
| Partnerships and Advocacy Department | 64.4 | 58.7 | 10% |
| Programme and Policy Development Department | 62.6 | 52.1 | 20% |
| Management Department | 84.8 | 76.9 | 10% |
| Workplace Culture Department | 36.1 | 29.9 | 21% |
| Central appropriations | 31.9 | 28.7 | 11% |
| PSA budget before inflation | 555.2 | 496.1 | 12% |
| Inflation | 21.1 | | |
| PSA budget | 576.3 | 496.1 | 16% |

PSA FTE by Contract Type - 2022 vs 2023

Blue shades - Fixed term

Yellow shades - Short term






In 2023, total fixed-term staff increased by **4%** in line with WFP's commitment to providing **more stable, long-term contracts to its core staff.**

Organizational Changes in 2022 vs 2023

Divisional Structural Changes

Executive Board Secretariat (EBS) Division moved to Programme & Policy Development Department (PD) from the former Deputy Executive Director Department (DED)

Departmental Name Changes

| 2022 | | 2023 |
|--------------------------------|---|---|
| Chief of staff |  | Operations Management Department |
| Deputy Executive Director |  | Supply Chain, Emergencies and Security Department |
| Resource Management Department |  | Management Department |

ISC income vs. PSA budget, 2023

| Item | USD million |
|--|--------------|
| Estimated ISC income (<i>based on overall USD 11.0 B funding forecast</i>) | 630.0 |
| Proposed 2023 PSA budget | 576.3 |
| Estimated ISC income <i>minus</i> Proposed PSA budget | 53.7 |

Proposed 2023 PSA budget level of **USD 576.3 M** is fully covered by the projected ISC income of **USD 630 M**

Indirect Support Cost Rates

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Maintain the standard **ISC rate of 6.5 percent**, and a **4 percent** rate as per General Rule XIII.4 (e) for:

1

Host government contributions to their own programmes

2

Contributions from **governments of developing countries** or with economies in transition

3

International financial institutions under such conditions as determined by the Board

(Approved at EB.A/2022 and Secretariat requested JIU review of UN rates applied to IFIs)

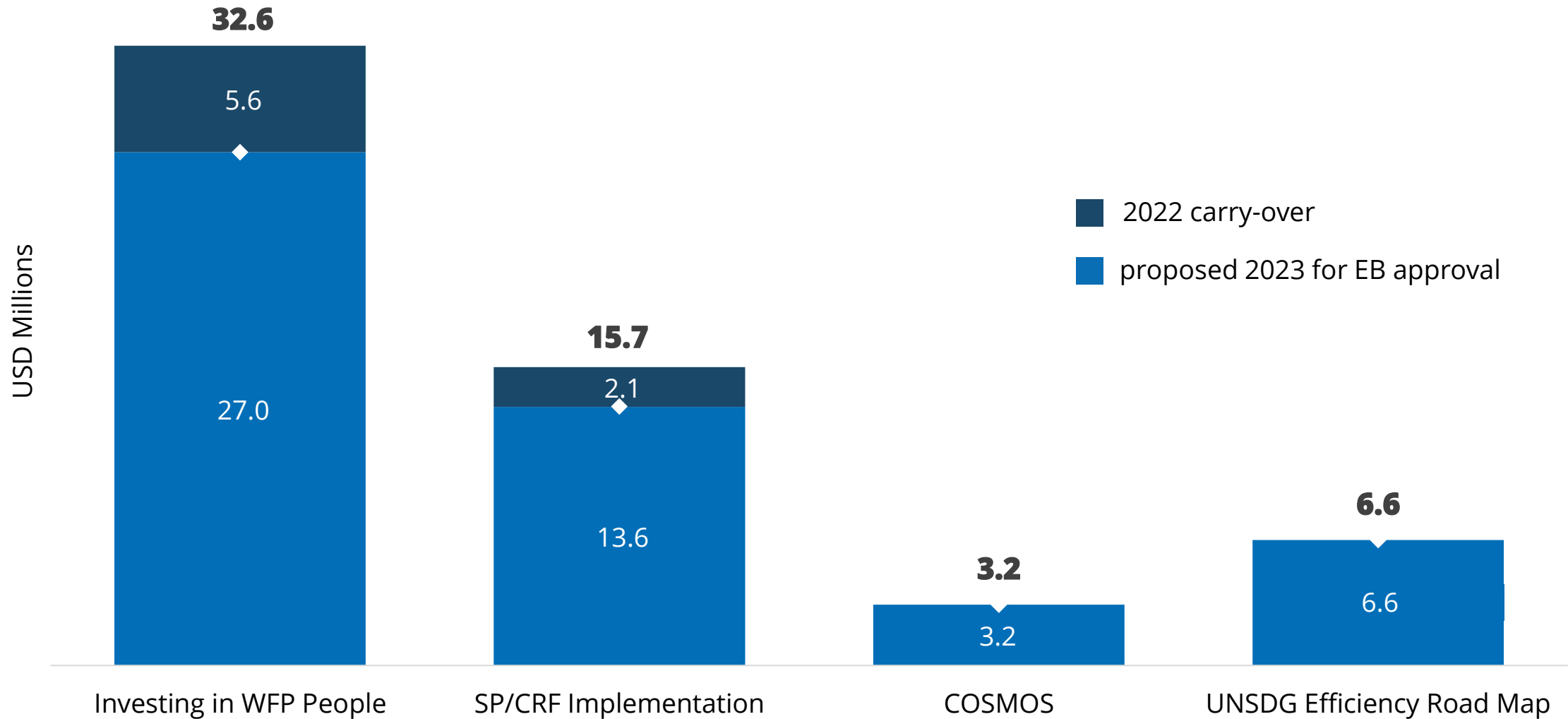
PSAEA projections for 2023

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| Item | USD M |
|---|--------------|
| Projected account balance at 31 December 2022 | 337.7 |
| 2023 ISC projected revenue in excess of proposed PSA budget | 53.7 |
| PSAEA drawdowns to be pursued in 2023 | |
| Critical Corporate Initiatives: | ✓ (50.4) |
| Immediate Response Account replenishment | ✓ (50.0) |
| Provision for ISC shortfall from World Bank contributions | ✓ (6.1) |
| Projected closing balance at 31 December 2023 | 284.9 |
| <i>Equivalent number of months of PSA expenditures</i> | 5.9 |

The projected closing balance is **above the 5-month PSA target** (USD 240.1 million) and **above the 2-month floor** (USD 96.1 million)

Proposed Critical Corporate Initiatives



Investing in WFP People

To support strengthening WFP's organizational capacity and absorb new corporate processes

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Management Result

2 People Management



- Implementation of measures to improve organizational alignment (e.g. staffing framework)
- Increase recruitment diversity
- Strengthen promotion and staff development
- Development of field-based diversity & inclusion expertise (e.g. disability inclusion)

| Deliverable | 2022 | 2023* |
|--|-------------|-------------|
| 1 Proactive management of structures and positions | 7.2 | 3.1 |
| 2 Acquisition and retention of diverse talent | 4.0 | 6.5 |
| 3 Capability and capacity development | 8.7 | 5.4 |
| 4 Development of respectful and inclusive workplaces | 1.0 | 7.4 |
| 5 Employee safety, security, health, and wellbeing | 4.4 | 4.6 |
| Total | 25.3 | 27.0 |

*full budget for 2023 is estimated at USD 32.6 million – including anticipated USD 5.6 million carry-over from 2022

SP/CRF Implementation

To re-align and upgrade existing platforms that oversee planning, monitoring and reporting

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Management Results

- 1 Effectiveness in Emergencies
- 3 Engage in Effective Partnerships
- 4 Effective Funding for Zero Hunger
- 5 Evidence and Learning
- 6 Leverage Technology
- 7 Leverage Innovation

- Strengthening beneficiary management, cooperating partner management, field monitoring activities
- Improve corporate performance planning, reporting systems and processes

| Deliverable | 2022 | 2023* |
|---|-------------|-------------|
| 1 Financial and donor reports, beneficiary counting, systems and platform realignment | 5.3 | 0.6 |
| 2 Fully aligned planning, budgeting and reporting for all country offices to the new strategic plan and CRF | 3.1 | 1.2 |
| 3 Optimization of field budget processes to enhance resources-to-results | 5.1 | 1.8 |
| 4 Support to SPI workstreams and change management | 1.9 | 1.4 |
| 5 Mainstreaming of cross-cutting priorities within WFP operations | - | 3.6 |
| 6 Strengthening of evidence generation, field monitoring and cooperating partner management | - | 5.1 |
| Total | 15.4 | 13.6 |

*full budget for 2023 is estimated at USD 15.7 million – including anticipated USD 2.1 million carry-over from 2022

Country Office Support Model Optimization & Simplification

For EB's approval

To improve effectiveness and efficiency of CO support provided by global HQ

Management Result

5 Evidence and Learning



- Functional excellence through selected pilots
- Knowledge management to capture best practices at the function level and share across WFP

| Deliverable | 2023 |
|---------------------------------------|------------|
| 1 Programme governance | 1.0 |
| 2 Target model validation | 0.2 |
| 3 Coordinate change management | 0.5 |
| 4 Extension to additional functions | 1.3 |
| 5 Plan for organization-wide roll-out | 0.2 |
| Total | 3.2 |

UNSDG Efficiency Road Map

To ensure WFP has capacity to play its part in delivering interagency commitments and WFP UN efficiency targets

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Management Result

3 Engage in Effective Partnerships



- Deepen United Nations collaboration for global payment solution
- Efficiency gains through UN fleet and UN Booking Hub

| Deliverable | 2023 |
|------------------------------|------------|
| 1 UNSDG activities | 2.1 |
| 2 United Nations booking hub | 1.8 |
| 3 UN Fleet | 1.4 |
| 4 Global Payment Solution | 1.3 |
| Total | 6.6 |

The Unearmarked Portion of the General Fund

Overview

- Investment income accrual and exchange rate gains not designated to any specific programme category or project
- Projected year-end 2022 balance is USD 162.7 million
- Use USD 34.8 million to increase operational reserve in support of IPL



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STRATEGIC FINANCING FACILITIES



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Increase to Corporate Services ceiling to meet growing needs

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Current level: USD 147 M

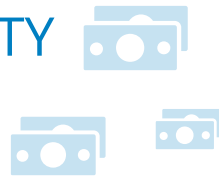
FLEET CENTRE

USD 15 M



CAPITAL BUDGETING FACILITY

USD 82 M



FEE-for-service activities

USD 50 M



Proposed level: USD 200 M

FLEET CENTRE

USD 25 M (fleet expansion)



CAPITAL BUDGETING FACILITY

USD 125 M (increased demand in coming years)



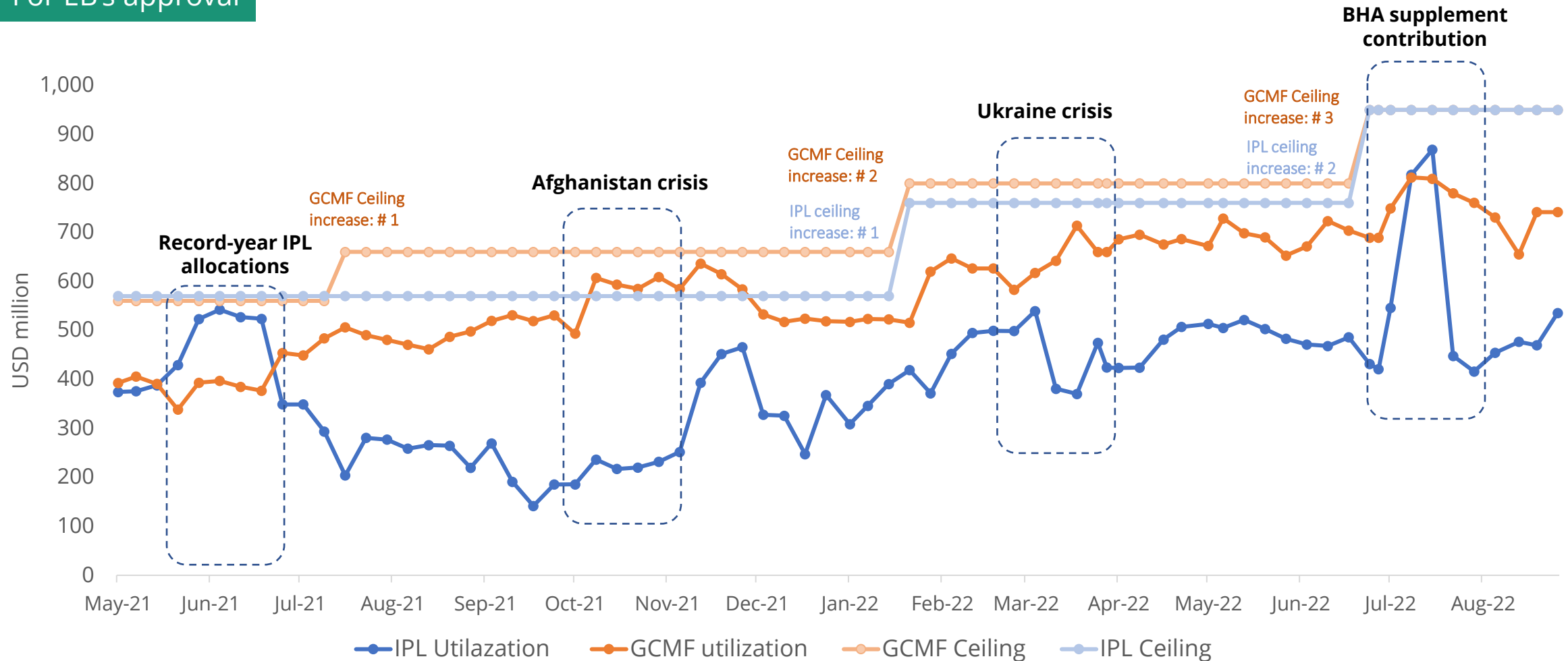
FEE-for-service activities

USD 50 M



Dynamic ceilings for IPL & GCMF (in USD)

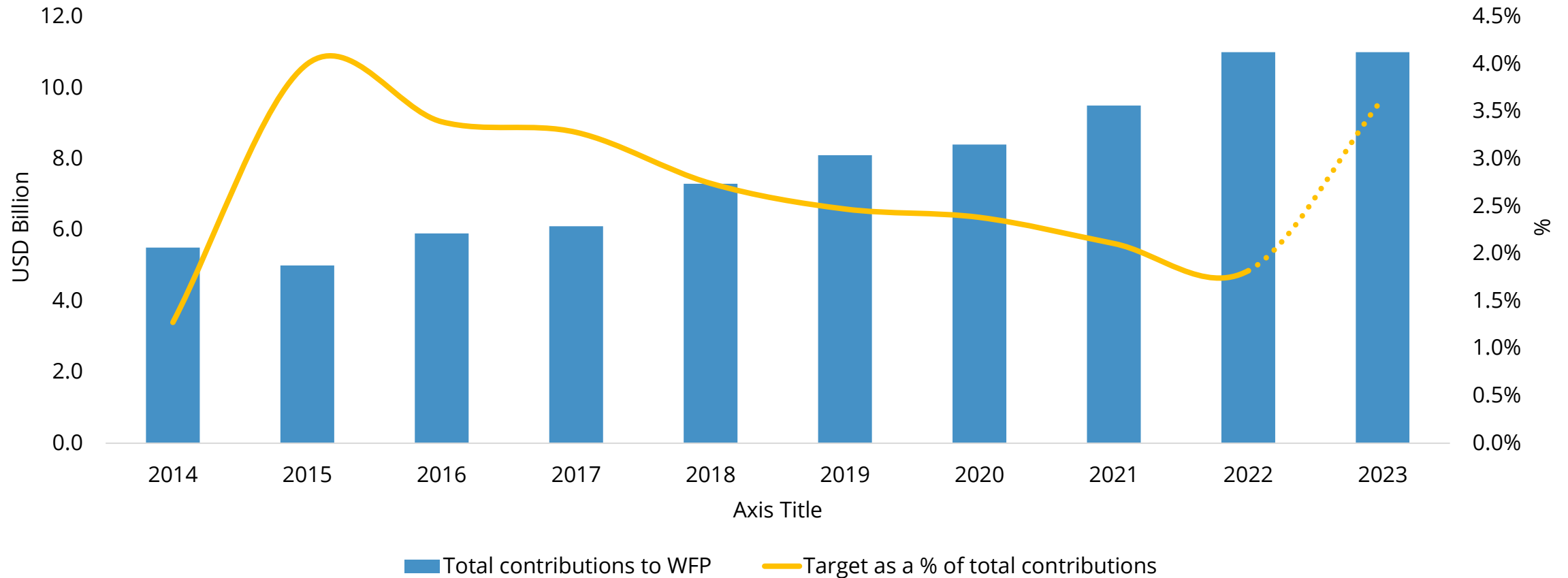
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Change in ceilings of the IPL and GCMF from a fixed US dollar amount to a level of up to **10% of the prevailing global contribution forecast**, for each facility. The ceiling of the IPL facility is not to exceed the **operational reserve ratio of 10:1**

Increase of IRA target from USD 200 million to USD 400 million in 2023

For EB's approval



PROGRAMME SUPPORT AND BUSINESS OPERATIONS & STRATEGIC FINANCING FACILITIES Q&As



World Food Programme

Annex I: PSA Post Count *(Sample View)*

| Table A.I.1: PSA POST COUNT BY ORGANIZATIONAL LEVEL | | | | | | | | | | |
|---|------|--------------|-------|-------|----------|------------------|-----|-------------|----------------------|-------------|
| Dept / Division | Year | D2, D1, etc. | P5-P1 | HQ GS | National | Total Fixed Term | STP | Consultants | Temporary Assistance | Grand Total |
| Country offices | 2021 | 46 | 66 | | 345 | 457 | 6 | 49 | 12 | 524 |
| | 2022 | 48 | 33 | | 175 | 256 | | 1 | | 257 |
| | 2023 | 49 | 34 | | 171 | 254 | | | | 254 |
| Regional Bureaux | 2021 | 13 | 151 | | 312 | 476 | 9 | 66 | 7 | 558 |
| | 2022 | 15 | 241 | | 371 | 626 | 11 | 118 | 39 | 794 |
| | 2023 | 15 | 245 | | 366 | 627 | 3 | 118 | 62 | 809 |
| Headquarters | 2021 | 78 | 514 | 382 | 59 | 1033 | 89 | 377 | 109 | 1608 |
| | 2022 | 84 | 697 | 446 | 105 | 1332 | 99 | 571 | 112 | 2115 |
| | 2023 | 92 | 950 | 498 | 126 | 1666 | 74 | 545 | 113 | 2398 |
| Operations Management Department | 2021 | 6 | 7 | 14 | | 27 | 5 | 7 | 3 | 42 |
| | 2022 | 6 | 13 | 14 | | 33 | | 6 | | 39 |
| | 2023 | 5 | 17 | 14 | | 36 | | 5 | 0 | 41 |
| Divisions reporting to the Executive Director | 2021 | 10 | 95 | 20 | | 125 | 4 | 39 | 25 | 193 |
| | 2022 | 10 | 149 | 29 | | 189 | 2 | 23 | 17 | 230 |
| | 2023 | 10 | 168 | 31 | | 209 | 2 | 20 | 14 | 245 |
| Etc... | 2021 | - | - | - | - | - | - | - | - | - |
| | 2022 | - | - | - | - | - | - | - | - | - |
| | 2023 | - | - | - | - | - | - | - | - | - |

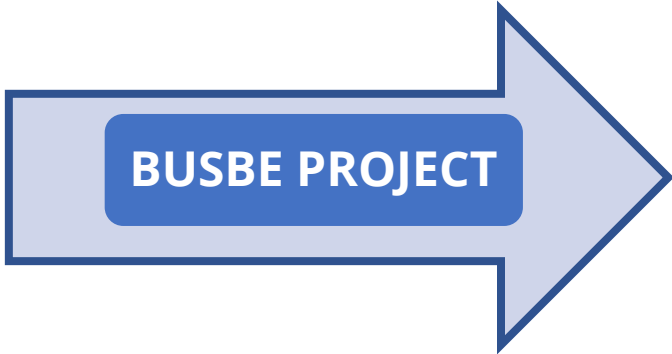
Annex I: Objects of Expenditure *(Sample View)*

| TABLE A.I.2: PSA BUDGET BY ORGANIZATIONAL LEVEL, STAFF AND NON-STAFF COSTS (USD THOUSAND) | | | | | | | | |
|---|------|------------------------------|-------------|-------------|----------|-------------|-------|-------------|
| Department Division | Year | Staff & Temporary Assistance | Local Staff | Consultancy | Overtime | Duty Travel | Etc.. | Grand Total |
| Country offices | 2021 | 32,820 | 11,610 | 4,037 | 72 | 2,330 | - | 102,963 |
| | 2022 | 26,454 | 5,297 | 81 | | | - | 42,967 |
| | 2023 | 28,820 | 4,997 | | | | - | 48,401 |
| Regional Bureaux | 2021 | 40,686 | 14,405 | 5,569 | 30 | 3,174 | - | 71,283 |
| | 2022 | 58,923 | 21,458 | 11,653 | 40 | 3,727 | - | 105,299 |
| | 2023 | 65,332 | 22,195 | 12,127 | 64 | 4,912 | - | 116,437 |
| Headquarters | 2021 | 174,241 | 3,576 | 27,715 | 420 | 3,053 | - | 251,458 |
| | 2022 | 214,271 | 7,415 | 43,838 | 332 | 8,315 | - | 319,138 |
| | 2023 | 270,195 | 6,351 | 42,875 | 453 | 12,011 | - | 379,453 |
| Operations Management Department | 2021 | 5,172 | | 773 | 65 | 811 | - | 7,640 |
| | 2022 | 6,299 | | 544 | 68 | 755 | - | 9,128 |
| | 2023 | 6,679 | | 518 | 76 | 1,277 | - | 9,645 |
| Divisions reporting to the Executive Director | 2021 | 23,043 | 23 | 3,443 | 0 | 160 | - | 33,750 |
| | 2022 | 32,530 | 1,133 | 1,531 | | 1,317 | - | 45,040 |
| | 2023 | 38,034 | | 1,468 | | 1,636 | - | 49,551 |
| Etc... | 2021 | - | - | - | - | - | - | - |
| | 2022 | - | - | - | - | - | - | - |
| | 2023 | - | - | - | - | - | - | - |

Annex II: PSA Budget by Pillar *(Sample View)*

| TABLE A.II.1 ANALYSIS OF PSA BUDGET BY ORGANIZATIONAL LEVEL AND PILLAR | | | | | | | | |
|--|---------------------------|------------------------|---|--|---|--------------|--------------|------------|
| | Strategy and direction | Services to operations | | Governance, independent oversight, and fundraising | | Total 2023 | Total 2022 | % change |
| | A. Strategy and direction | B. Business services | C. Policy, guidance and quality assurance | D. Advocacy, partnerships, fundraising and United Nations coordination | E. Governance and independent oversight | | | |
| Country Offices | 23 | | | 25.4 | | 48.4 | 43 | 13% |
| Regional Bureaux | 9.6 | 46.9 | 44.4 | 11.7 | 3.8 | 116.4 | 105.3 | 11% |
| Regional Bureau for Asia and the Pacific | 1.5 | 8.5 | 7.5 | 0.4 | 0.7 | 18.6 | 15.9 | 17% |
| Etc.. | - | - | - | - | - | - | - | - |
| Headquarters | 79.3 | 130.1 | 52.3 | 77.9 | 39.9 | 379.5 | 319.1 | 19% |
| Supply Chain, Emergencies and Security Department | 28.5 | 24.4 | 2.5 | 7.7 | 0.5 | 63.6 | 47.4 | 34% |
| Supply Chain, Emergencies, and Security | 2.5 | | | | | 2.5 | 2.4 | 4% |
| Emergencies Operations Division | 15.6 | 1.6 | | 2.5 | | 19.7 | 12.3 | 60% |
| Security Division | 2.9 | 6.8 | 1.5 | | | 11.2 | 8.8 | 27% |
| Supply Chain Operations Division | 7.5 | 16 | 1 | 5.2 | 0.5 | 30.2 | 23.9 | 26% |
| Etc... | - | - | - | - | - | - | - | - |

Status of the BUSBE



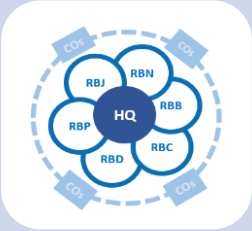
Ongoing Activities



Measurement of BUSBE Objectives



Enhancing tools



Redesigned Structure to efficiently support COs



THANK YOU



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Terminology & Acronyms

Baseline - activities identified that must be funded, regardless of funding source, required to support operations and other services of the programme

BUSBE - the **Bottom-Up Strategic Budgeting Exercise** aims to revisit WFP funding source management and determine how best to align them to activities in RB/CO/HQ divisions

Capital Budgeting Facility - A revolving facility for enabling WFP to implement large-scale initiatives that improve efficiency by reducing costs in the long term

CBT – Cash-based Transfers - set of transfer modalities through which beneficiaries are provided with purchasing power in the form of cash and/or value vouchers

CCI - Critical Corporate Initiatives - non-recurring investments funded by allocations from the PSA equalization account aimed at strengthening WFP's programming, operational and administrative capacity

CSPs - Country Strategic Plans

EB - Executive Board

General Fund (GF) - accounting entity established for recording, under separate accounts, indirect support cost recoveries, miscellaneous income, operational reserve and contributions received which are not designated to a specific programme category fund, trust fund, or special account

IFI - International Financial Institution

ISC - Indirect Support Costs - costs which support the execution of activities which cannot be directly linked with their implementation

KPI - Key Performance Indicators

MP - Management Plan

Multilateral contributions – cash contributions provided by donors, which, at the time of confirmation, have not been designated to a specific programme category or bilateral project

PPR - Public Partnerships and Resourcing Division

PSA - Programme Support and Administrative (Budget) is the portion of the WFP budget that pertains to providing indirect support to WFP's activities

PSAEA - Programme Support and Administrative Equalization Account

Reserves - established by the Executive Board as facilities for operational support and for other specific funding purposes

Service Provisions - The provision of services consistent with the purposes, policies and activities of WFP to a party in exchange for payment

UN - United Nations

WEB - World Wide Web

WINGS - WFP Information Network and Global System

Global Contribution Forecast - provides a projection of WFP's expected contributions