



Chief Financial Officer's seminar

8 May 2025



SAVING
LIVES
CHANGING
LIVES

Agenda

- I. Audited annual accounts, 2024
 - a. Financial Statements
 - b. Report of the External Auditor

Q&A

- II. Report on the utilization of WFP's strategic financing mechanisms (2024)

Q&A

Key CFO Division dates and documents in 2025

I. Audited annual accounts, 2024

a. Financial Statements

Statement II

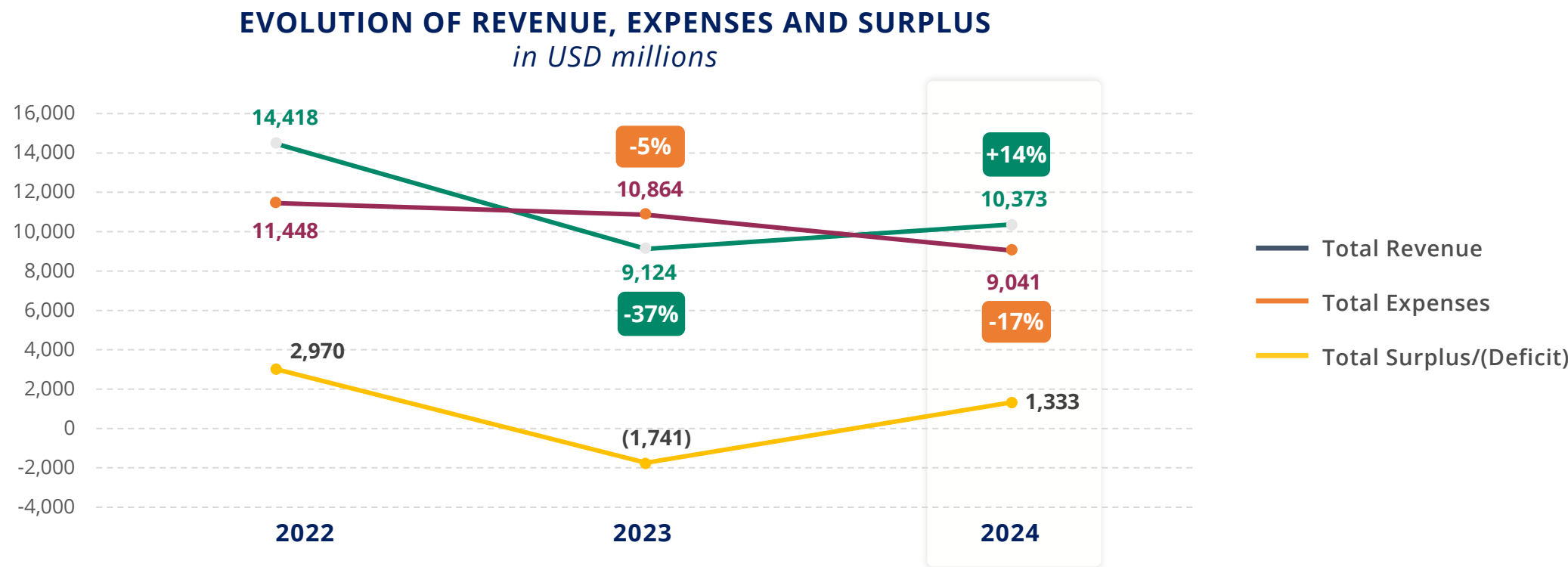
Financial Performance

Revenue

Expenses

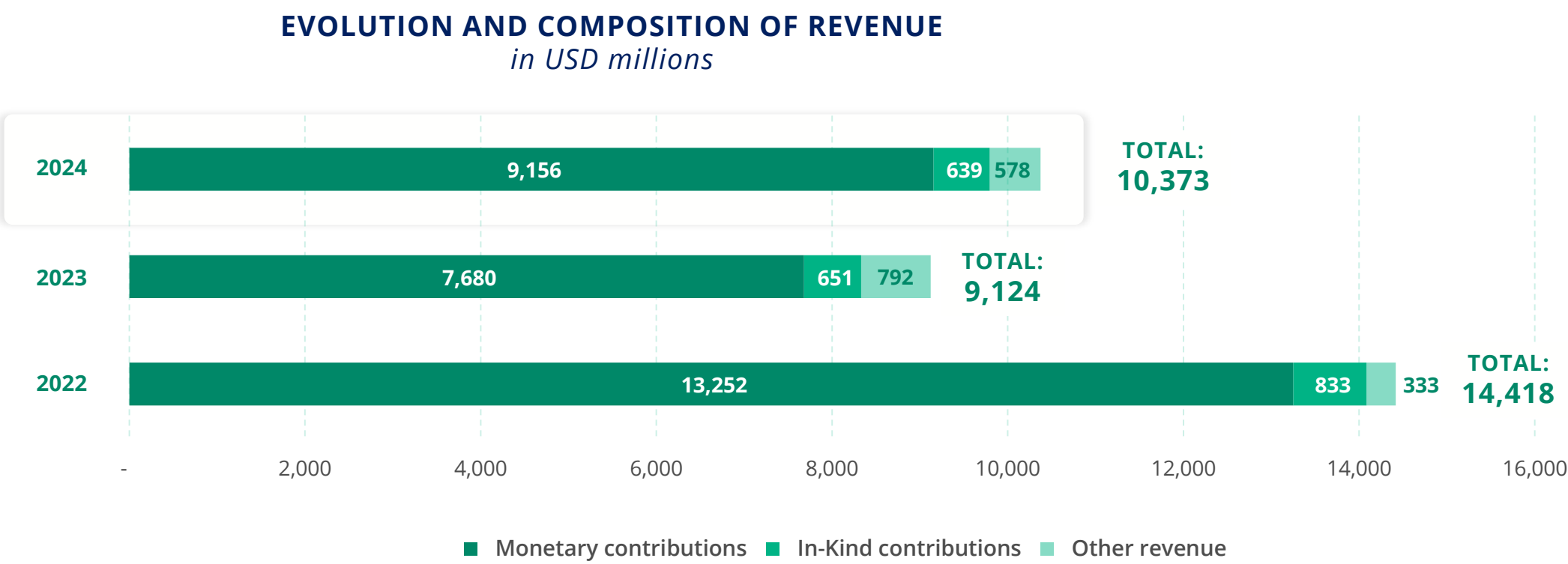
Statement II – Financial Performance

In 2024, **revenue** amounted to USD 10.4 billion, a 14% increase vs. 2023. **Expenses** decreased by 17% to USD 9.0 billion. The resulting 2024 **surplus** was USD 1.3 billion.



Statement II – Revenue

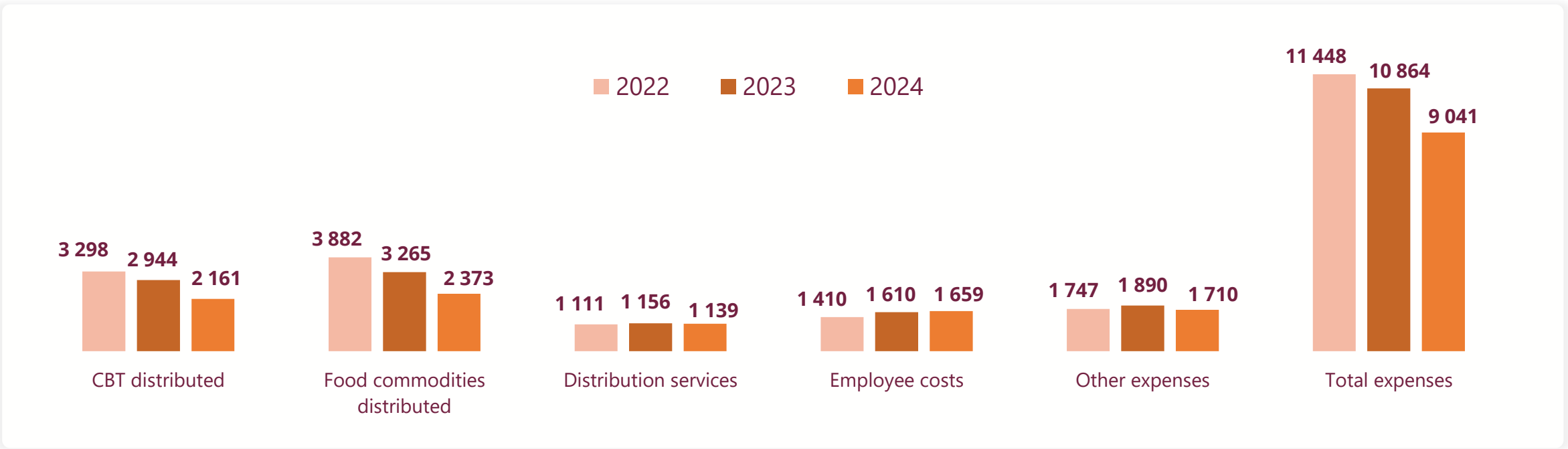
Contribution revenue increased by 18% from USD 8.3 billion in 2023 to USD 9.8 billion in 2024, driven by an increase in contributions from several major donors. **Other revenue** of USD 0.6 billion in 2024 decreased by USD 0.2 billion or 27% compared to USD 0.8 billion in 2023, mainly due to currency exchange losses.



Statement II – Expenses

In 2024, total expenses were USD 9.0 billion, a decrease of USD 1.8 billion or 17% from USD 10.9 billion in 2023. The cost of **CBT and food commodities distributed** decreased by 27% each. **Distribution services costs** decreased by 1%. **Employee costs** increased by 3%, while **other expenses** decreased by 10%.

EVOLUTION AND COMPOSITION OF EXPENSES
in USD millions



Statement I

Financial Position

Statement I – Financial Position



TOTAL ASSETS

of **USD 13,543.3 million** increased by USD 1,615.8 million (14%) mainly due to increases in contribution receivable, cash and investments.



INVENTORIES

stand at **USD 1,044.1 million**, a 19% decrease in value, while mt held of 1.3 million decreased by 13%.



TOTAL LIABILITIES

increased by USD 234.5 million or 12% to **USD 2,247.3 million** in 2024, due to an increase in payables and accruals.



EMPLOYEE BENEFITS LIABILITIES

totaled **USD 1,028.9 million**, an increase of 1%. The investments covering long-term liabilities were valued at USD 1,297.7 million. The funding ratio is **133%**.



NET ASSETS (Fund Balances and Reserves)

totaled **USD 11,296.0 million**. Out of total net assets, USD 8,246.4 million relate to programmes/CSPs, representing approximately six months of operational activity.

Statement V

Comparison of Budget and Actual amounts

Statement V – Comparison of Budget and Actual amounts

CSP costs	Budget amount		Actual on comparable basis	Difference final budget and actual	Implementation Plan	Utilisation rate final budget
	Original budget	Final budget				
SO 1 Urgent food and nutrition needs	11 114.0	11 119.9	5 674.8	5 445.1	6 910.5	51%
SO 2 Better nutrition, health and education	2 161.0	2 235.6	920.7	1 314.9	1 374.2	41%
SO 3 Improved and sustainable outcomes	1 360.6	1 368.2	597.0	771.2	891.6	44%
SO 4 Strengthened national programmes and systems	437.7	460.2	225.0	235.2	373.9	49%
SO 5 More efficient and effective humanitarian and development actors	1 132.5	1 210.5	702.9	507.6	742.1	58%
Direct support costs	718.2	696.4	517.0	179.4	633.3	74%
Subtotal direct operational costs	16 924.0	17 090.8	8 637.4	8 453.4	10 925.6	51%
PSA	568.0	528.0	480.9	47.1	528.0	91%
Critical corporate initiatives	97.9	107.7	73.1	34.6	107.7	68%
Subtotal indirect costs	665.9	635.7	554.0	81.7	635.7	87%
Total	17 589.9	17 726.5	9 191.4	8 535.1	11 561.3	52%

Largest CBT operations:

Lebanon, Somalia, Afghanistan and Ukraine.

Largest food operations:

South Sudan, Palestine, Sudan, Afghanistan and Yemen.

Utilisation rate of the final budget is **52%** and **80%** of the implementation plan.

Final budget is higher than original by USD 136.6 million.
Largest increases were in Palestine, Sudan, Malawi and Chad.

Events after reporting date

US Pause on foreign assistance funding

Events after reporting date - US pause on foreign assistance funding

24 January 2025 – **US Executive Order on Review of Foreign Assistance Program**, paused all new funding, pending completion of review. **Emergency food assistance and life-saving humanitarian assistance was exempted** from the funding pause.

As of reporting date of 31 December 2024, US contribution receivable to WFP amounted USD 3.6 billion, 65% of total contribution receivable. Out of it, USD 0.8 billion was collected in Q1 2025. As at 31 March 2025 (certification of FS), **the suspended awards estimated not to exceed USD 84.0 million**, (1%) of total contribution receivables. Since then, 17 awards received termination notification, affecting WFP's operations in Yemen, Afghanistan, DRC and several other countries.

Any uncertainties about US awards fully or partially stopped **impact 2025 and not 2024 balances**: non-adjusting event under IPSAS 14 subject to disclosure (Note 12 to FS).

2025 Global Forecast has been reduced to USD 6.4 billion, potential decrease of USD 3.4 billion compared to contribution revenue of USD 9.8 billion in 2024. Main reductions forecasted from US funding (by 55%), Germany (by 55%) and UK (by 34%).

WFP management is actively assessing the potential financial and operational implications on its programs and exploring alternative funding sources to mitigate disruptions.

I. Audited annual accounts, 2024

b. Report of the External Auditor

Q&A

II. Report on the utilization of WFP's strategic financing mechanisms (2024)

WFP's Strategic Financing Mechanisms



1 Advance financing

Internal Project Lending:
provides advances to Country Strategic Plans against forecast contributions

Immediate Response Account:
provides life-saving assistance allocations in absence of forecast contributions



2 Global Commodity Management Facility

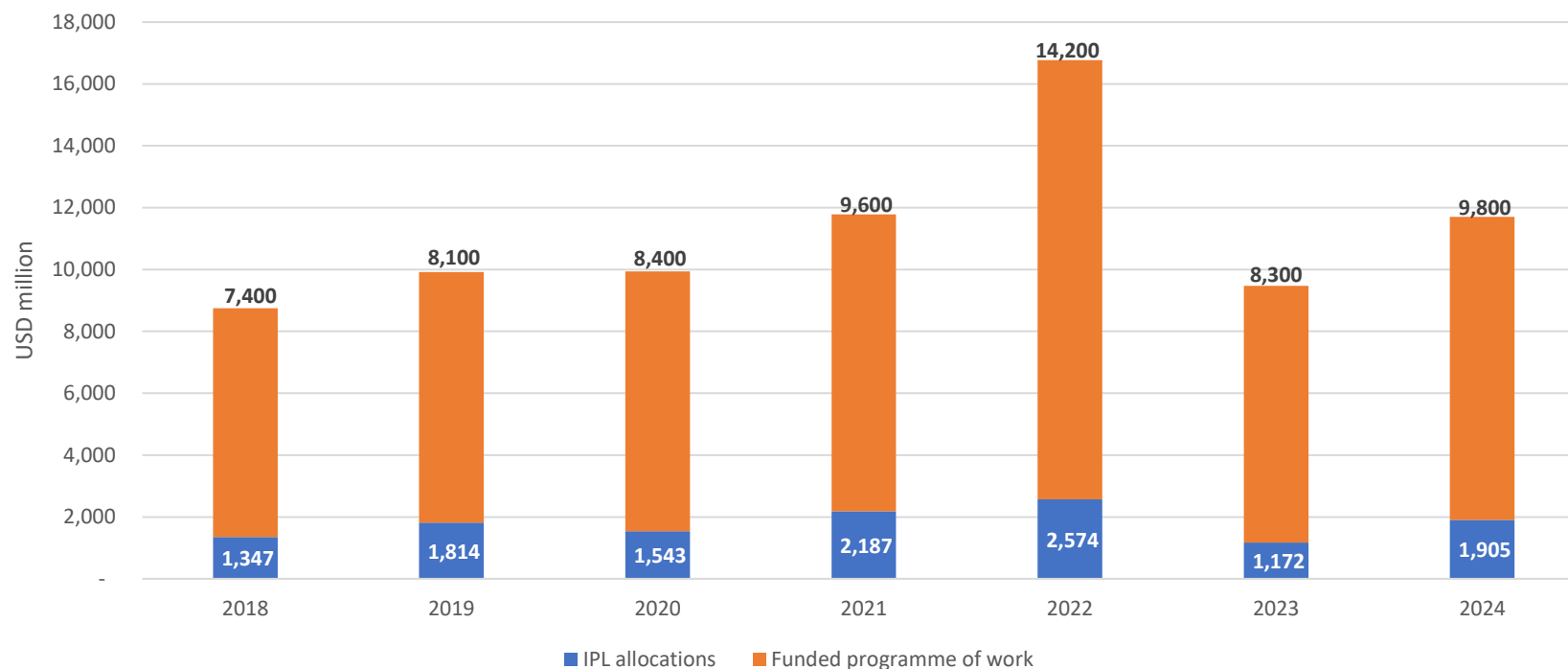
Anticipatory food procurement based on aggregated operational needs and funding projections before contributions are confirmed to reduce delivery lead-time.



3 Corporate Services Financing

Allows WFP to make investments to harness efficiency and provide services to COs economically and efficiently through three mechanisms.

1 – Internal Project Lending (IPL)



- Provides spending authority against donor forecast contributions for timely operational response.
- 57 percent of the IPL advances were allocated to seven operations: Afghanistan (USD 260 million), South Sudan (USD 197 million), Ukraine (USD 156 million), Lebanon (USD 125 million), Yemen (USD 119 million), and Chad (USD 106 million).

USD 1.9 B

IPL advances provided

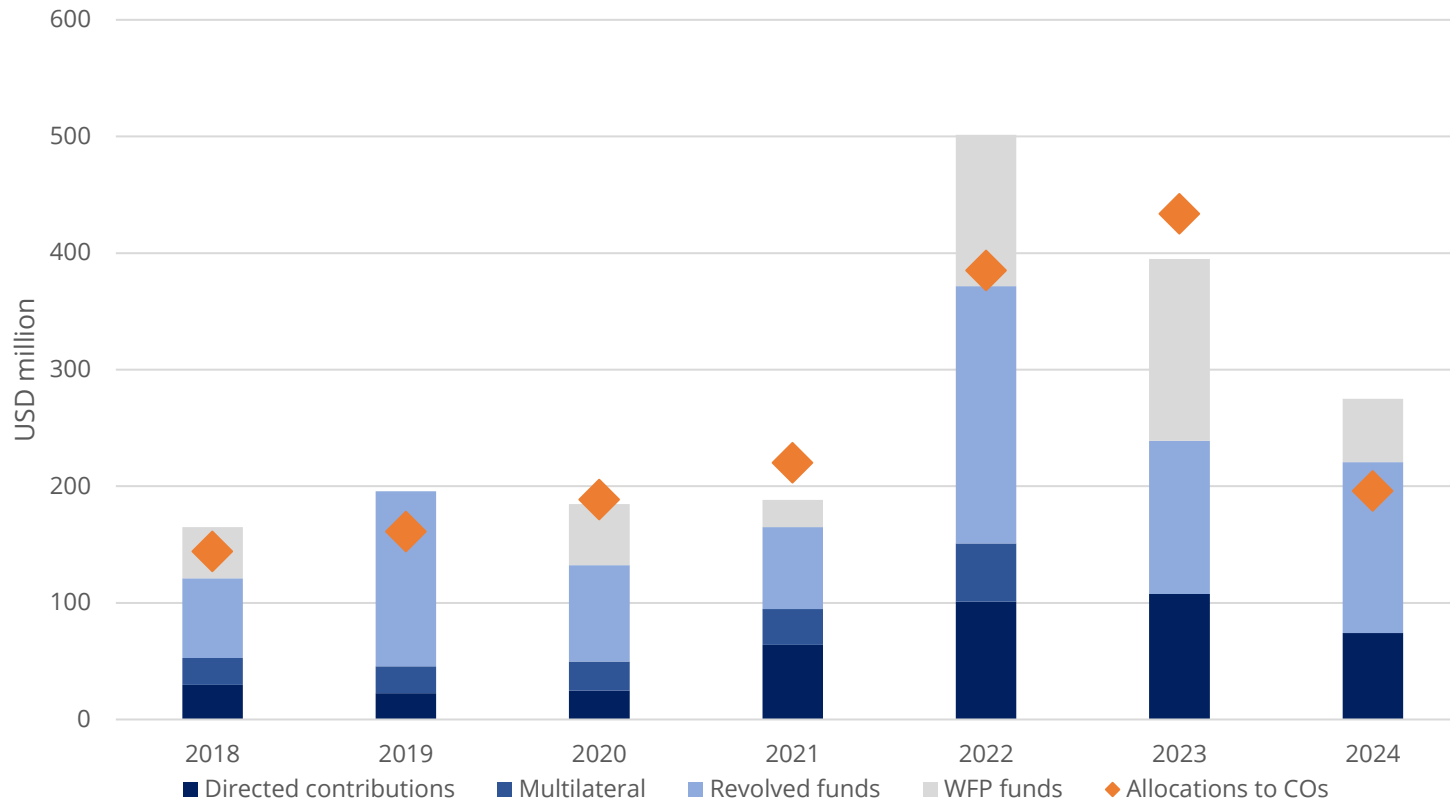
57 CSPs

where Internal Project Lending was used

90 days

funds received on average 90 days before contributions date

2 – Revenue to the Immediate Response Account vs Allocations (IRA) (in USD millions)



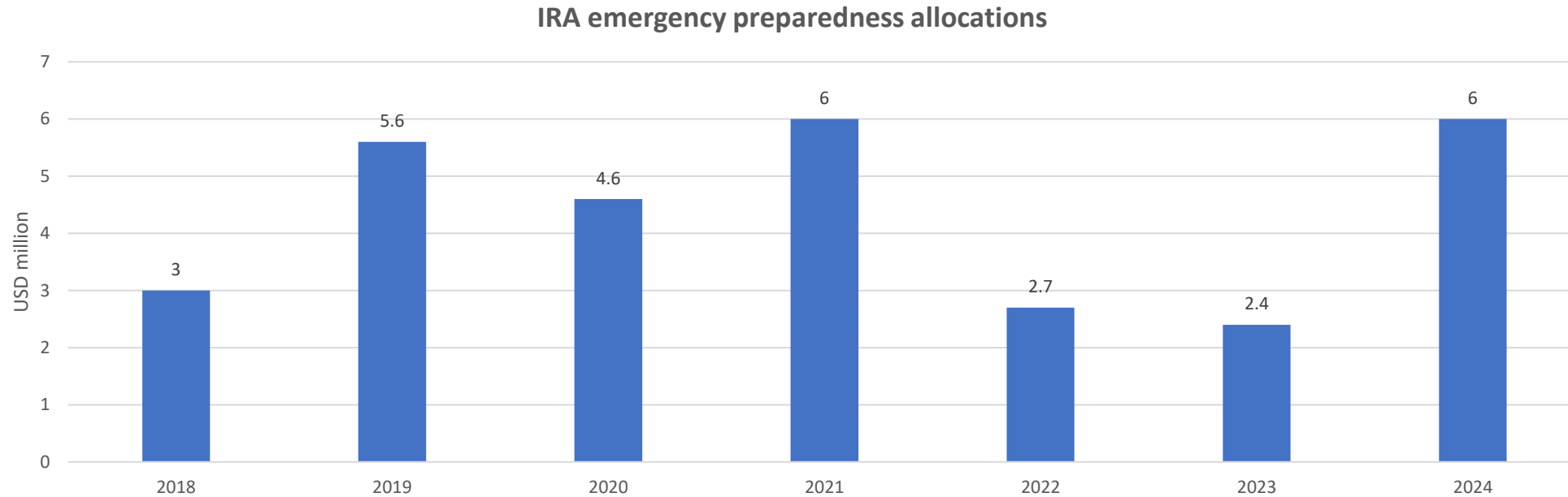
IRA

- ✓ Totaled **USD 196.1 million** provided to **35 CSPs in 2024**
- ✓ Donors directed **USD 74.2 million** contributions to the IRA
- ✓ Amount revolved totaled **USD 146.6 million**
- ✓ **USD 50 million transferred** from unearmarked general fund

- The IRA is a critical financing tool for **immediate assistance in life-threatening situations** as a last resort, in the absence of donor contributions or donor forecast contributions for the use of IPL (Internal Project Lending).
- Continuous Donor support to this mechanism is essential to maintain WFP ability to save lives.

3 – IRA emergency preparedness

IRA emergency preparedness allocations (USD million)

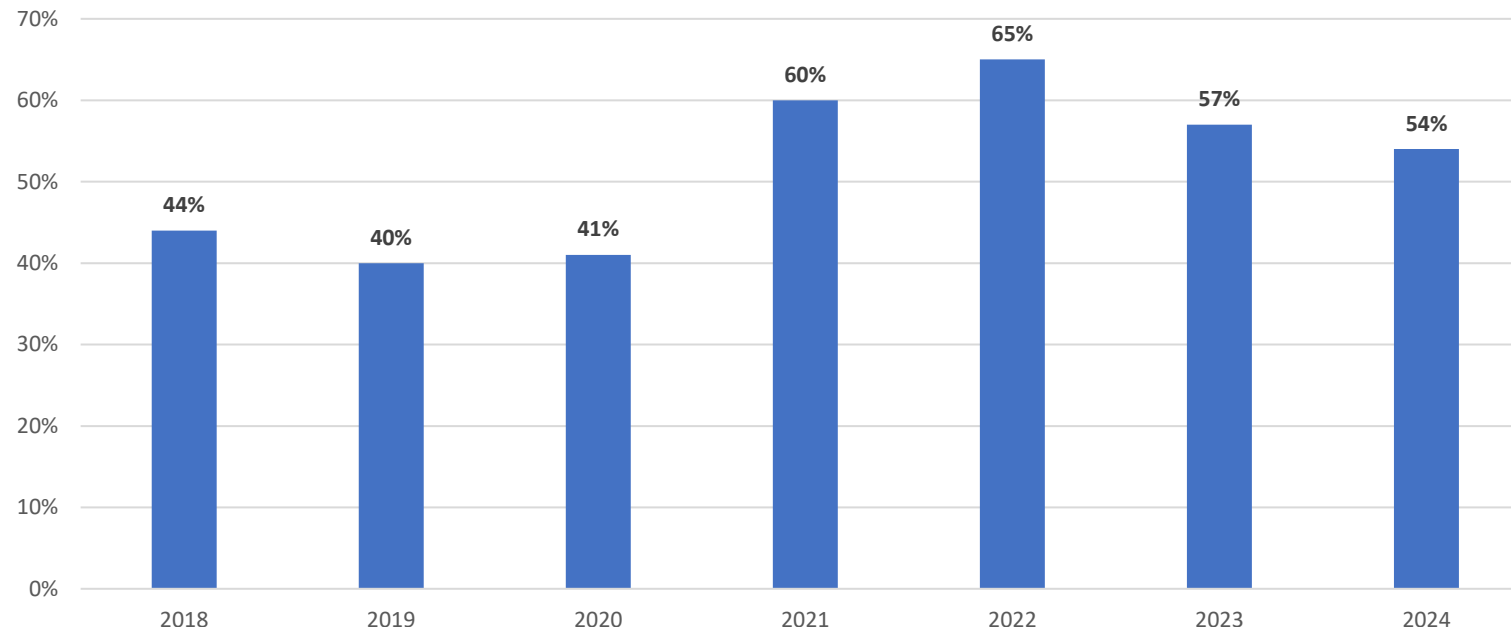


- IRA allocations for emergency preparedness have reached the 6 million in both 2021 and 2024
- In 2024, fifteen countries across the six regions received the IRA for emergency preparedness.
- Demand for IRA funding for preparedness activities is expected to reach USD 10 million in 2025

WFP proposes that the approval authority for the IRA emergency preparedness ceiling be delegated to the Executive Director (ED).

4 – Global Commodity Management Facility (GCMF)

Average of Country Offices purchases from GCMF vs total food purchases (% by volume)



1.17 million mt

(-19% vs 2023)

=

USD 0.93 billion

(-20% vs 2023)

54%

of total COs food
purchases was through
GCMF

GCMF objectives:

1. Reduce delivery lead-time for purchase of food commodities
2. Possibility to purchase food when market conditions are more favourable
3. shorten emergency response time
4. Support local and regional purchases, including from small holder farmers

51 days

average lead-time

Q&A

Key CFO Division dates and documents in 2025

12 May	ACABQ virtual hearing
26 May	Informal consultation on the Annual Performance Report 2024
9-11 Jun	204 th session of the FAO Finance Committee
23-27 Jun	Annual session of the Executive Board <ol style="list-style-type: none">1. Audited Annual Accounts, 20242. Update to the management plan (2025-2027)3. Annual Performance Report, 2024
23 Jul	1 st informal consultation on the management plan (2026-2028)
8 Sep	2 nd informal consultation on the management plan (2026-2028)
End Sep	ACABQ virtual hearing
27-28 Oct	205 th session of the FAO Finance Committee
17-21 Nov	Second regular session of the Executive Board <ol style="list-style-type: none">1. WFP management plan (2026-2028)