

**Executive Board First Regular Session** 

Rome, 8-11 February 2010

# **ANNUAL REPORTS**

Agenda item 4

### For approval



Distribution: GENERAL WFP/EB.1/2010/4/Rev.1

8 February 2010 ORIGINAL: ENGLISH

# ANNUAL REPORT FOR 2009 TO ECOSOC AND FAO COUNCIL

This document is printed in a limited number of copies. Executive Board documents are available on WFP's Website (http://www.wfp.org/eb).

## NOTE TO THE EXECUTIVE BOARD

#### This document is submitted to the Executive Board for approval.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

Director, Multilateral and NGO Mr P. Larsen tel.: 066513-2601

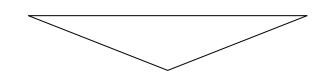
Relations Division:

External Relations Officer: Ms R. Fanelli tel.: 066513-2723

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms I. Carpitella, Administrative Assistant, Conference Servicing Unit (tel.: 066513-2645).



### **EXECUTIVE SUMMARY**



WFP played a central role in United Nations system-wide efforts to increase coherence and support country-led efforts to address the continuing food crisis, the economic recession, conflict, severe weather and other shocks on the world's most vulnerable populations. This was especially challenging during a period when the number of hungry and malnourished people exceeded 1 billion for the first time. In the context of the triennial comprehensive policy review of operational activities for development of the United Nations system, and in line with its 2008–2013<sup>1</sup> Strategic Plan, WFP enhanced its partnerships at the national and global levels to be more effective as part of the United Nations system, to meet the Millennium Development Goals and to respond to humanitarian needs. In spite of the financial crisis, WFP mobilized significant resources, including through common funds.

WFP continued to use its contributions to provide food assistance to those most in need, purchasing food locally and using innovative tools to improve nutrition, delivery and procurement at the country level. The pilot Purchase for Progress programme served as a means to test innovative procurement practices and develop new interventions to support smallholder farmers in a number of developing countries. The increasing use of vouchers and cash transfers similarly facilitated a shift in WFP's activities towards a more flexible provision of food assistance. WFP has begun to give greater attention to country- and region-led strategies with its support to the African Union/New Partnership for Africa's Development and the Comprehensive Africa Agricultural Development Programme through the provision of expertise and alignment of WFP strategies. Through enhanced capacity-building and hand-over strategies, WFP is increasing its emphasis on finding long-term solutions to hunger challenges.

WFP worked with other members of the United Nations Secretary-General's High-Level Task Force on the Global Food Security Crisis in an unprecedented inter-agency collaboration for food security. This work provided political momentum for increasing investments in food security and nutrition to eradicate hunger. Ultimately, it led to the US\$20 billion commitment for food security at the 2009 L'Aquila Summit and to the transformation of the Committee on World Food Security into an inclusive inter-governmental body. WFP's engagement in these processes is in line with the principles adopted at the Rome World Food Summit in November 2009, focusing on coherent, country-led approaches.

Following the successful implementation of the International Public Sector Accounting Standards (IPSAS), WFP also became the first United Nations agency to launch an IPSAS-compliant SAP software system, WINGS II, allowing for more accurate and detailed tracking of financial and human resources across WFP. An internal review of processes and procedures for the approval of new programmes and budget revisions, undertaken in the context of the financial framework review, led to improved prioritization and greater

<sup>&</sup>lt;sup>1</sup> WFP Strategic Plan (2008–2011) was extended until 2013 as per Board decision 2009/EB.A/3.



\_

consistency in the application of guidelines as well as harmonization between country-, regional- and global-level processes. With a view to enhancing accountability, the number of WFP staff required to submit financial disclosures increased from 6 to more than 400, with emphasis on staff with significant procurement authority.

As the economic crisis exacerbated the impact of the food crisis in 2009, WFP stepped up collaborative efforts to assist people in urgent need. In coordination with other humanitarian actors, WFP responded to emergencies within the framework of the cluster system, continuing to lead the logistics cluster and co-lead the telecommunications cluster at the global level, and lead or co-lead food-sector clusters at the country level. WFP also participated in health, nutrition and other clusters.

WFP led or was a participant in a number of Joint Crisis Initiatives adopted by the Chief Executives Board in April 2009, and provided monitoring and analysis through the Global Impact and Vulnerability Alert System. WFP's Executive Director chaired the High-Level Committee on Management, which worked to harmonize United Nations business practices and improve staff safety and security systems. In the United Nations Development Group, WFP continued to collaborate in strengthening country-level coordination and delivery through the Resident Coordinator system. This work built on the achievements of the Delivering as One initiative by ensuring that United Nations Development Assistance Frameworks are in line with national priorities, plans and principles, and are designed to support governments in meeting the Millennium Development Goals.



The Board approves the "Annual Report for 2009 to ECOSOC and FAO Council" (WFP/EB.1/2010/4/Rev.1). In accordance with its decision 2004/EB.A/11, the Board requests that the Annual Report be forwarded to ECOSOC and FAO Council along with the Board's decisions and recommendations for 2009 and this decision.

<sup>\*</sup> This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.



-

## CONTRIBUTING TO THE COHERENCE AND EFFECTIVENESS OF THE UNITED NATIONS SYSTEM

#### **Funding for Operational Activities**

- 1. Hunger in the world reached a historic high in 2009 with more than 1 billion people undernourished. The combined effects of the food, fuel and financial crises exacerbated the vulnerability caused by disasters, conflict and poverty. As a result, WFP extended food and nutrition assistance, including safety nets such as school feeding, to 108 million beneficiaries in 74 countries.
- 2. WFP's total funding projection for 2009 was US\$3.9 billion, which was US\$1 billion more than had been received in years up until 2008. As growing needs outpaced traditional donor funding, greater attention was given to mobilizing new donors and embedding WFP country programmes more fully in United Nations Development Assistance Frameworks (UNDAFs), Poverty Reduction Strategy processes and national development plans.
- 3. As of 7 December 2009, WFP had received US\$3.6 billion from 75 donors. Brazil, Germany, Japan, Qatar, the Russian Federation and Spain provided their highest contributions ever to WFP. Australia, Belgium, Canada, the European Commission, India, Kenya, the United States of America and private donors also stepped up or sustained funding in 2009. Host governments in Bangladesh, Burundi, Cambodia, Egypt, Madagascar, Malawi and Pakistan supported WFP operations in their countries. Kazakhstan, Oman and Ukraine contributed to WFP for the first time.
- 4. Approximately 90 percent of contributions were directed by donors to specific projects and 10 percent were multilateral and allocated by the Strategic Resource Allocation Committee. Early, predictable and flexible multilateral funding allowed WFP to prioritize its resources according to the most urgent needs and to plan effectively in addressing the root causes of hunger. Major multilateral donors included Canada, Denmark, Finland, Germany, Ireland, Italy, the Netherlands, Norway, Spain and Sweden. New multi-year partnerships were signed with Australia, Canada and Luxembourg in 2009.
- 5. Allocations received through multi-donor funding totalled US\$155 million at the beginning of December 2009 WFP's fifth largest source of income. Of this funding, 82 percent came from humanitarian funding mechanisms such as the Central Emergency Response Fund (CERF) and common humanitarian funds for the Sudan and the Democratic Republic of the Congo (DRC). Contributions from pooled funds were critical for many operations, particularly under-funded emergencies and special operations. This included support for the United Nations Humanitarian Air Service (UNHAS), managed by WFP on behalf of the United Nations. These contributions allowed WFP and its partners to continue providing critical food assistance in operations where support from traditional sources was not sufficient.
- 6. WFP received 36 percent of overall CERF disbursements (US\$110 million by December 2009). In addition, WFP engaged in discussions to formulate a global Letter of Understanding and a performance and accountability framework, while emphasizing the importance of avoiding unnecessary bureaucracy.



7. During the reporting period, new funding channels were opened with donors from the Organisation for Economic Co-operation and Development (OECD) and thematic and multi-donor trust funds. These included the Global Food Response Program of the World Bank, the Spanish Millennium Development Goal (MDG) Achievement Fund, the European Union Food Facility and the Food Security Thematic Programme managed by EuropeAid. Changes in guidelines facilitating access to other funds such as the United Nations Peacebuilding Fund were welcome developments during the year. A broader funding base is increasingly important for WFP and its partners to meet growing demands for food assistance.

- 8. Sixteen Consolidated Appeals Processes (CAPs), seven flash appeals and six other appeals were launched in 2009. The three largest appeals were for the DRC, Somalia and the Sudan followed by the Occupied Palestinian Territory, Pakistan and Zimbabwe. WFP remained the largest appealing agency, satisfying 90 percent of its requirements in 2009 through CAPs. Total requirements amounted to US\$9.8 billion, of which WFP's needs accounted for US\$3.7 billion or 38 percent.
- 9. WFP also benefited from favourable purchasing arrangements in a number of countries. For example, in India the Government provided WFP with cereals at below-poverty-line prices approximately 33 percent of the market prices for wheat and rice. WFP also procured wheat and rice from the Food Corporation of India, a government corporation, at subsidized prices. The Indian Government allocates approximately 40,000 mt wheat and 7,500 mt rice to WFP each year. WFP uses this wheat to procure blended food from manufacturers on a barter basis.
- 10. By December 2009, support from private-sector fundraising had surpassed the annual goal of US\$80 million. WFP's fundraising expectations had been tempered by the economic climate. But despite the slowdown, WFP signed a long-term partnership with LG Electronics, the first Asian multinational to support WFP by contributing to climate-related hunger programmes in the Horn of Africa.
- 11. Private partnerships continued to be a major driver of WFP's nutrition-improvement strategy, bringing the expertise of the private sector to the Nutrition Unit. In 2009, agreements were made for the recruitment of at least six nutritionists in WFP country offices in 2010 with support from the private sector. Specialists from the life science company DSM worked in Egypt and Kenya to tackle issues related to home food fortification and to assess local capacity for food production. Project Laser Beam, an innovative alliance of food companies, was launched in September to reduce malnutrition in Bangladesh and one other country in the region by 2014; it combines WFP's know-how and the private sector's expertise in nutrition, food security and hygiene. WFP also initiated corporate partnerships with Heinz and Kraft, and expanded its relationship with the Global Alliance for Improved Nutrition through this initiative.

#### Harmonization, Joint Initiatives and Delivering as One

12. The adoption of the United Nations General Assembly resolution on system-wide coherence in October 2009 (A/RES/63/311) encouraged cooperation among United Nations agencies. WFP welcomed the creation of a new gender entity, combining four existing bodies. The call for an independent system-wide evaluation mechanism to assess efficiency, effectiveness and performance was appreciated as a means to enhance transparency. Recognition of the need for increased cooperation between the United Nations and the Bretton Woods Institutions was also welcome.



13. WFP's Executive Director participated in the Chief Executives Board (CEB) convened by the United Nations Secretary-General. As Chair of the High-Level Committee on Management (HLCM), she took the lead in initiatives to strengthen coordination of administrative and management issues across the United Nations. In 2009, the HLCM focussed on harmonization of business practices and staff security.

- 14. WFP also further built on best practices in financial management through the implementation of IPSAS and the launch of an IPSAS-compliant SAP software system, WINGS II, in July. WFP was the first United Nations agency to implement IPSAS, in compliance with the HLCM decision adopted by all Governing Bodies of the United Nations system, including the General Assembly and the WFP Executive Board. The expansion of financial disclosure requirements from 6 to more than 400 WFP staff, with emphasis on staff with significant procurement authority, also aimed to improve financial transparency and accountability. The newly created Resource Management and Accountability Department, which consolidated all inward and outward resource flows, facilitated greater financial control. The department includes a Performance and Accountability Management Division to ensure that effectiveness and evaluation are taken into account in resource decisions.
- 15. In the area of business practices, the HLCM identified joint projects to enhance cooperation among United Nations agencies, and raised nearly US\$6 million for these activities. The HLCM also oversaw the Steering Committee on Staff Safety and Security, which recommended that the United Nations refocus efforts in security risk management on remaining operational in challenging security environments. WFP promoted reforms in the United Nations security system, particularly related to working conditions of national staff. The importance of these efforts was highlighted by the killing of five WFP staff members in Pakistan and another five United Nations workers in Afghanistan in late 2009.
- 16. The United Nations Joint Crisis Initiatives (JCIs) were a principal focus of the High-Level Committee on Programmes (HLCP) in 2009. These initiatives, developed by the HLCP and approved by the CEB in April 2009, aim to mobilize the United Nations system to address the impacts of the recent global financial, economic and social crises. WFP leads two of the nine JCIs: i) Food Security, in cooperation with the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and the High-Level Task Force (HLTF) on the Global Food Security Crisis; and ii) Humanitarian Action, Security and Social Stability. WFP also participated as a cooperating agency in four other JCIs: i) Additional Financing for the Most Vulnerable; ii) Green Economy; iii) Social Protection; and iv) Monitoring and Analysis.
- 17. The Food Security JCI was closely linked to the work of the HLTF to ensure coordination in agencies' follow-up to the G8 L'Aquila Commitments and G20 outcomes. The second initiative led by WFP focused on emergency action to protect lives and livelihoods, meet food and humanitarian needs, protect displaced people and enhance security and social stability. This included advocating for life-saving assistance programmes, highlighting the need for reliable funding of consolidated appeals and ensuring access for humanitarian deliveries and the safety of humanitarian workers worldwide. Ensuring naval escorts for WFP shipments to Somalia threatened by piracy has been another important initiative in conjunction with the International Maritime Organization.



18. WFP continued its participation in the United Nations Development Group (UNDG) and in its working groups during 2009, including the Working Group on Programming Issues (WGPI) and MDG task forces. In response to requests from United Nations country teams (UNCTs), the WGPI pared down the UNDAF guidelines and produced formats for simplified reporting while focusing on engagement in national strategies. The country office business operations group revised the common services training materials to encourage coordination at the country level. Common procurement guidelines were prepared under WFP's leadership and adopted by the UNDG in the last quarter of 2009.

- 19. The UNDG working groups, the Advisory Group and the full UNDG provided support to countries piloting the Delivering as One initiative and prepared a UNDG toolkit on change management in response to requests from countries. Under WFP's leadership as a member of the Advisory Committee, the Harmonized Approach to Cash Transfers was adopted at the country level. Resident Coordinators (RCs) in Delivering as One pilot countries were consulted to measure progress and highlight issues requiring attention by the UNDG.
- 20. Through consultations in Delivering as One pilot countries and the General Assembly, United Nations country offices were encouraged to lead their own evaluation exercises. The United Nations evaluation group is supporting this initiative by: participating in meetings in Delivering as One pilot countries; providing framework terms of reference for evaluations; and facilitating the quality assurance of country-led evaluations.
- 21. Enhancement of the RC system continued in 2009 with WFP's participation in working groups on strengthening the RC selection process. In line with the objectives of the RC Talent Management Implementation Plan, standard operating procedures were introduced to strengthen management of the Inter-Agency Advisory Panel. Guidelines on RC selection and appointment were developed to improve communications and streamline the selection process.
- 22. In 2009, four WFP staff members served as RCs in Algeria, Cambodia, Myanmar and Tajikistan. One staff member was appointed as the RC in Madagascar pending government clearance. WFP put forward six candidates for the RC assessment centres in January 2010.

#### Climate Change

- 23. Climate change featured prominently on the United Nations agenda in 2009, culminating in the Climate Change Conference in Copenhagen in December. WFP intensified its contacts with partner organizations in an effort to address undernutrition and lack of access to food resulting from the impacts of climate change. Support was provided for adaptation strategies and mitigation activities, including food-for-work and expanded safety net and school feeding programmes. Ongoing projects related to land rehabilitation, reforestation, environmental management and energy, such as the introduction of energy-saving stoves, were also part of WFP's efforts to reduce climate- and weather-related hunger.
- 24. Innovative tools and new partnerships facilitated a scaling-up of WFP's vulnerability analysis to incorporate climate change information, including the Global Platform for Climate Change Information established by the World Meteorological Organization. Early warning was another area for new systems development. In Central America, WFP led the development of SATCAweb, a web-based disaster monitoring and forecast tool that provides real-time information on climate-related disasters in the region. Another example of successful collaboration was WFP's Managing Environmental Resources to Enable Transition to More sustainable Livelihoods (MERET) in Ethiopia. This facilitated the development and mainstreaming of a national community-based approach to reverse



environmental degradation and increase long-term resilience to climate change. The project reached more than 1 million people and contributed to the rehabilitation of over 300,000 ha of degraded land since 2000.

#### **Humanitarian Reform**

- 25. The humanitarian reform agenda includes the cluster approach, humanitarian financing, and the Humanitarian Coordinator (HC) system. In 2009, the work of the Inter-Agency Standing Committee (IASC) shifted its emphasis from identifying and implementing new mechanisms to consolidating existing humanitarian reform efforts and evaluating progress. The IASC-led initiative to streamline the various United Nations financing groups and harmonize guidelines, including reporting requirements, led to improvements in implementation at the field level and reduced transaction costs. Priorities established by the IASC in 2009 with the support of WFP included humanitarian financing, developing a common needs assessment and improving the HC system.
- 26. Discussions during the year led to extending the HC pool for another three years and establishing the Humanitarian Coordination Assessment Panel to review candidates for HC positions. While this was a welcome development in principle, in practice the reliance on RCs to assume HC functions remained prevalent. In 2009, four WFP staff members were recommended for inclusion in the HC pool. Guidance on the establishment and disestablishment of humanitarian country teams was also issued following a review by the IASC working group in October 2009.
- 27. The CAP, expanded CERF and individual emergency response accounts of major humanitarian agencies provided more coherent and predictable humanitarian financing. WFP has been the largest recipient of CERF funds to date; paragraphs 5 and 6 of this report provide further details.
- 28. The cluster system, which was initially intended to address gaps in humanitarian response, continued to evolve into the primary means in which the humanitarian community responds to sudden-onset emergencies. In 2009, 24 out of 27 countries with HCs formally implemented the cluster system. WFP continued to lead the logistics and emergency telecommunications clusters while retaining overall responsibility for the food assistance sector. WFP was also engaged in other global clusters including nutrition, protection, education, and early recovery.
- 29. The WFP-led logistics cluster responded to eight new emergencies in 2009 (Benin, Gaza, Indonesia, Lao People's Democratic Republic, Pakistan, the Philippines and Samoa). To strengthen preparedness and build capacity for a more effective and coordinated response, over 200 logisticians from 30 different organizations have been trained since 2006 as partners in logistics clusters. Trained logisticians have been deployed to conduct assessments and support field operations in establishing logistics clusters in new emergencies.
- 30. The logistics cluster also supported communities in transition from post-conflict and post-disaster situations to long-term recovery through the rehabilitation of infrastructure. In the DRC for example, the logistics cluster worked with local government and humanitarian partners to implement road rehabilitation projects in return areas.
- 31. The global logistics cluster support cell was established three years ago to provide guidance on strategy and policy, training, mobilization support and surge capacity for humanitarian projects. The United Nations Joint Logistics Centre core unit was integrated in the logistics cluster support cell in January 2009. Positioned within the Logistics Division, the cell consists of a group of dedicated, multi-skilled logisticians



drawn from seven humanitarian organizations. It facilitated the roll-out of Service Mindset Training, a tool designed to identify common needs of humanitarian logisticians. In 2009 the cell completed the "Logistics Operations Guide", a single source for logistics templates, operational tools, references and guidelines, in partnership with 15 organizations.

- 32. In June 2009, WFP and the United Nations Children's Fund (UNICEF) finalized an agreement to streamline responsibilities, unify services and consolidate the provision of security and data communications under the leadership of WFP. WFP has provided coordination and technical support in emergency telecommunications in all major emergencies since 2007. In 2009 this included Afghanistan, the DRC and Pakistan. In partnership with private-sector donors, WFP also delivered a comprehensive information technology emergency preparedness and response management training programme. During the year, 99 professionals from 20 organizations participated in this training course.
- 33. Under the new United Nations policy on security risk management, minimum operating safety standards and the guidelines for determining acceptable risk developed by the United Nations Department of Safety and Security, WFP was focal point for security telecommunications issues. In this capacity, WFP advised the security management network on policies and implementation of security telecommunications standards and services.
- 34. WFP continued its participation in inter-agency fora on transition, especially the IASC working group on early recovery and the UNDG/Executive Committee on Humanitarian Affairs (ECHA) joint working group on transition issues. Discussions during the year included financing for transition, lessons learned in supporting early recovery, the post-conflict and post-disaster needs assessment processes and the Secretary-General's report on peacebuilding. WFP contributed to work in these areas and participated in discussions on the direction, functioning, harmonization and impact of inter-agency groups.
- 35. WFP also contributed to the work of the Peacebuilding Support Office, temporarily assigning a staff member to support the preparation of the Secretary-General's report. In October, WFP co-hosted a special event of the Economic and Social Council of the United Nations (ECOSOC) and the Peacebuilding Commission on food and economic crises in post-conflict countries. WFP's contribution to peacebuilding, including its ability to provide immediate, concrete peace dividends, was highlighted during this event. In October, the organization also joined the Senior Peacebuilding Group, which was established to advise the Assistant Secretary-General for Peacebuilding Support on peacebuilding issues and to ensure the United Nations' engagement in peacebuilding.
- 36. ECHA served as an important forum for humanitarian agencies to discuss and develop common positions in relation to evolving situations such as those in the Horn of Africa and Yemen, and to address critical security challenges such as those in Afghanistan and Pakistan.

#### **Country-Led Joint Programming**

37. WFP participated in 88 joint programmes in 33 countries in 2009, an increase of 11 percent from the previous year, and a continuation of the growing trend in joint programming among United Nations agencies. The Delivering as One initiative accounted for 35 percent of all joint programmes. Most joint programmes took place in sub-Saharan Africa.



38. Joint programmes provided opportunities to work more closely with national partners. Examples include a joint initiative with UNICEF and the World Health Organization (WHO) in the United Republic of Tanzania to assist the Government in developing a comprehensive national school feeding programme. In Mozambique, WFP worked with UNICEF and WHO in joint programmes on: children; food security and nutrition; access and provision of reproductive health services; and strengthening the national response to HIV/AIDS. WFP provided technical assistance to the Ministry of Health with a new framework for the Government's basic food basket for anti-retroviral therapy and tuberculosis patients.

- 39. WFP worked with United Nations partners in Liberia on a large-scale food security and nutrition programme to increase agricultural production. In Uganda, the UNCT formulated a joint programme to support the Government in addressing climate change, especially in the disaster-prone Karamoja and Teso regions.
- 40. WFP remained strongly engaged in five Delivering as One programme countries (Cape Verde, Mozambique, Pakistan, Rwanda and the United Republic of Tanzania), where activities are part of a common work plan and budget involving two or more United Nations organizations and national partners.
- 41. In Mozambique, WFP was involved in 6 of 11 joint programmes and led the Purchase for Progress (P4P) activity Building Commodity Value Chains and Market Linkages for Farmers Associations. This initiative aimed to facilitate direct purchase of maize and beans by institutional buyers such as WFP; FAO provided technical training and assistance, and IFAD provided credit.
- 42. In January 2009, the Government and UNCT in Pakistan initiated the Delivering as One programme, which included joint programmes on agriculture, rural development and poverty reduction, education, health and population, the environment and disaster risk management. WFP participated in all these programmes and co-chaired the disaster risk management theme group with the United Nations Development Programme (UNDP).
- 43. Rather than developing a separate Delivering as One programme, the UNCT in Rwanda initiated pilot processes when preparing the UNDAF that focused on five thematic areas. WFP co-chaired the education thematic group with UNICEF and the sustainable growth and social protection thematic group with FAO, and contributed to the other three areas. WFP also worked with UNDP and other agencies in the areas of health, population, HIV and nutrition. Activities included The Rwanda Women's Network, which provided support to women survivors of rape and other crimes during the genocide. Another project with the United Nations Joint Programme on HIV/AIDS (UNAIDS), UNDP and other agencies focused on expanding the HIV response in cooperation with government and civil society.
- 44. In the United Republic of Tanzania, WFP participated in six of seven joint programmes and two joint initiatives on change management and communications. The UNCT advanced administrative reforms, particularly in the areas of information and communications technology (ICT) and procurement. WFP took the lead in the area of ICT, implementing a project to develop a system-wide infrastructure for voice, data and video communications and a common approach to ICT, including procurement. With UNDP and other agencies, WFP also collaborated on joint programmes on national disaster preparedness and response capacities, wealth creation, employment and economic empowerment, with WFP inputs focusing on food and nutrition.



#### **Common Services and Premises**

45. Participation in the UNDG Task Team on Common Premises in 2009 continued to centre on cooperation between security and facility teams, and funding large-scale renovation and construction projects. While supportive of the Task Team's efforts to incorporate "green building" concepts into all common premise projects, WFP maintains that this should not add additional costs to the projects.

- 46. WFP's own internal premises security task force has benefited from inter-agency participation in the security and common premises working groups, which has led to better information sharing and standardization of approaches. Throughout the year, WFP continued to advocate for proper technical resourcing of the Task Team and in November, an architect was hired to support analysis of specific projects and develop standards and tools for country teams.
- 47. WFP is participating in the development of common premise proposals in Mozambique and Rwanda Delivering as One countries where a common building is part of the Task Team objectives. However, the financial implications of these projects are yet to be determined.

#### **COHERENCE IN ENSURING FOOD SECURITY**

#### **Global Food Security**

- 48. 2009 was a critical year for international dialogue on food security and related governance mechanisms. The L'Aquila Food Security Initiative, launched at the G8 Summit in July 2009 where US\$20 billion was pledged for food security provided an opportunity to revive international commitments to poverty and hunger eradication. WFP advocated for a comprehensive approach to food security, ensuring that food and nutrition safety nets were recognized as important tools to tackle hunger and malnutrition.
- 49. The Secretary-General's United Nations High-Level Task Force on the Global Food Security Crisis was an important forum for WFP to stress the need for coordination in: implementing food-related actions vital for achieving MDG 1: Eradicate extreme poverty and hunger; promoting social and economic resilience; and creating viable employment opportunities.
- 50. With the adoption of the World Food Summit Declaration on 16 November, world leaders renewed their commitments to a coherent, country-level and comprehensive approach to food security. Ensuring access to safe, adequate, nutritious and affordable food for all especially vulnerable groups through emergency food assistance and safety nets like cash vouchers and mother-and-child nutrition was critical to this approach. The L'Aquila principles were reaffirmed and participants reiterated the need to strengthen global coordination and governance for food security, including through the reformed Committee on World Food Security (CFS). WFP committed to engage with FAO and IFAD in implementing the CFS reform.
- 51. At the regional level, WFP continued its engagement with the African Union/New Partnership for Africa's Development initiative as well as the Comprehensive Africa Agriculture Development Programme (CAADP) implementation process. This was aimed at ensuring that sustainable hunger solutions were taken into consideration in development of policies and programming at the country and regional levels. In this context, WFP helped the Economic Community of West African States design an emergency food



reserve system along with a regional programme to improve access to food by vulnerable groups. In the Horn of Africa, WFP and the Intergovernmental Authority on Development agreed to improve cooperation in a number of areas, including food security and disaster risk management, through the implementation of common priorities; this will be the subject of a Memorandum of Understanding being developed between the two organizations. Within the United Nations Economic Commission for Africa, WFP participated in three thematic clusters on: i) agriculture, food security and rural development; ii) peace and security; and iii) social and human development. WFP also assumed a prominent role in implementing the recommendation of the Secretary-General's MDG Africa Steering Group to scale up school feeding and micronutrient-fortification programmes in Africa within the CAADP framework. Partnership with the Common Market for Eastern and Southern Africa was strengthened through the P4P initiative and the Alliance for Commodity Trade in Eastern and Southern Africa framework, which aimed to increase regional integration and improve competitiveness of staple food markets.

#### Collaboration among the Rome-Based Agencies

- 52. WFP, FAO and IFAD continued to strengthen their collaboration with a view to a more comprehensive approach to food security. By the end of 2008, WFP and FAO had collaborated in 63 countries on 99 agriculture, food security and joint-assessment projects; WFP and IFAD collaborated in 14 countries on 18 food-for-work, food-for-training and micro-credit projects.
- 53. The joint paper "Directions for Collaboration among the Rome-based Agencies" completed in November was the culmination of a two-year effort to enhance collaboration among these agencies. It was followed by a senior staff meeting on 4 November in which the Rome-based agencies agreed to focus on: transition from relief to recovery and development in selected countries; alignment of early-warning information systems to enhance food security reporting; and joint advocacy during 2010 to achieve the MDGs.
- 54. The Rome-based agencies also continued to strengthen their administrative collaboration. Progress was made in the procurement of goods and services, with joint tendering leading to significant savings. A joint tender on travel resulted in significant savings for the three agencies, which now use the same travel agent. The extension of the FAO remailing contract to WFP and IFAD resulted in savings of 25 percent for IFAD and 30 percent for WFP. The Rome-based agencies are now establishing a common procurement team.
- 55. WFP and FAO jointly carried out crop and food supply assessment missions in Ethiopia, Guatemala, Madagascar, Namibia, the Sudan, Yemen and Zimbabwe. They also issued "State of Food Insecurity in the World Economic Crises, Impacts and Lessons Learned". In the first edition of the report, FAO provided analysis of food insecurity at the global level and WFP provided information on how households in developing countries were affected by the global economic downturn.
- 56. WFP's vulnerability analysis and mapping (VAM) unit and FAO's Global Information and Early-Warning System jointly developed a model for simulating the impact of shocks such as extreme weather, rising prices and shifts in agricultural input prices on household incomes and food expenditures. The first phase of the project covered three low-income, food-deficit countries in Asia (Bangladesh, Nepal and Pakistan) and two in Africa (Burkina Faso and Malawi). Additional countries will be included in the second phase.

-



<sup>&</sup>lt;sup>2</sup> WFP/EB.2/2009/11-C

This analysis provided information that can be used for planning and decision-making during the early phases of crises.

- 57. WFP and FAO also collaborated through the Integrated Food Security Phase Classification (IPC) to standardize food security classification in order to identify priorities for intervention. In 2009, WFP collaborated with IPC partners in Cambodia, Indonesia, Nepal, Tajikistan and Uganda.
- 58. WFP and IFAD jointly established the Weather Risk Management Facility to reduce smallholder farmers' vulnerability to extreme weather events through index insurance schemes. Projects were launched in China and Ethiopia in 2008 and 2009 with support from the Bill & Melinda Gates Foundation and the World Bank. As a result of extreme weather conditions in the Horn of Africa in 2009, the project delivered US\$25,000 in insurance pay-outs to 137 smallholder farmers in Ethiopia, which was 50 percent of the total insured on estimated average future yields. WFP's partnership with the World Bank and the Government of Ethiopia facilitated the development of a national risk-financing mechanism for droughts and floods that can trigger contingency funds of up to US\$180 million over five years.

#### NEW INITIATIVES AND DEVELOPING PARTNERSHIPS

#### **Purchase for Progress**

- 59. Launched in September 2008 with support from the Bill & Melinda Gates Foundation, the Howard G. Buffet Foundation and the Government of Belgium, the pilot P4P initiative tested innovative procurement practices and partnerships. With its demand for staple food, WFP acted as a catalyst for new interventions supporting smallholder farmers.
- 60. As of October 2009, P4P's testing of innovative procurement practices resulted in the procurement of 25,000 mt of food in 11 countries where WFP operates. The food was purchased from 40 smallholder farmers' organizations, small and medium traders, the Warehouse Receipt Systems in Uganda and the United Republic of Tanzania, and the commodity exchange in Zambia. WFP and its partners also trained 9,700 smallholder farmers (26 percent women) and 58 warehouse operators in contracting, quality specifications, post-harvest handling, group marketing and commercialization, agricultural production techniques and agricultural finance.
- 61. Some of the most innovative initiatives in 2009 were implemented in Mali, Uganda and Zambia. In Uganda, WFP supported the warehouse receipts system through which farmers could access a network of certified warehouses, adequate storage conditions and cash using system they received cash in which 60–70 percent of the total value of the commodities deposited. In Zambia, WFP supported farmers' organizations in meeting the standards required to access the Zambia Agricultural Commodity Exchange, a trading platform with a network of certified warehouses where farmers and traders can store commodities to sell in more favourable market conditions. In Mali, the P4P partner Afrique Verte trained farmers' and women's organizations in basic marketing skills. In addition, Faso Jigi, a federation of smallholder farmers' cooperatives, won a WFP competitive tender in 2009.



#### Cash and Vouchers

62. WFP's use of vouchers and cash transfers has increased in recent years, with the number of pilot programmes increasing from 9 in 2008 to 24 in 2009. Such developments reflect a shift towards providing food assistance in a more flexible manner. The use of vouchers and cash transfers also offered new opportunities to support governments in introducing and expanding social safety-net systems.

63. In Malawi, the real-time price monitoring of the regular WFP Malawi food basket in local markets allowed WFP to adjust the monthly transfer values according to price fluctuations, thereby protecting people's purchasing power over time. Cash transfers were delivered in partnership with the Malawi Savings Bank and included savings accounts for each cash beneficiary. In Syria WFP piloted an electronic food voucher project – the first of its kind to use mobile phone technology – to support 1,000 Iraqi refugee households with limited income-generating opportunities. Each family member received one voucher worth US\$22 every two months. After each transaction, families received an updated balance by text message on their mobile phones.

#### Capacity-Building

64. In 2009, WFP worked more closely with national counterparts, particularly through consultation processes at the country level. In addition, WFP provided technical support to national strategies and regional initiatives to combat chronic hunger and undernutrition in India, Iraq, Mauritania, Rwanda and Timor-Leste. In Egypt, WFP's support to the national food-based social safety net programme led to a reform of the food subsidy system. In Ghana, the newly established national school meals secretariat collaborated with WFP to implement a national Home-Grown School Feeding Programme in order to increase school enrolment and attendance, and increase agricultural productivity. In El Salvador, WFP's school feeding programme was handed over to the Government, ending a ten-year capacity development process.

#### **REACH**

- 65. The REACH Ending Child Hunger and Undernutrition Partnership was jointly established by WFP, FAO, UNICEF and WHO. This global partnership is committed to meeting the nutrition needs of the world's most vulnerable stakeholders women and children through evidenced-based analysis and innovative programming. WFP served as the host agency of the partnership and provided essential support.
- 66. The four REACH partners received a grant from the Bill & Melinda Gates Foundation to link local procurement from smallholder farmers and food-based nutrition interventions. A secondary objective was to facilitate collaboration between the agriculture and nutrition communities. Research was initiated to explore these interactions in a West African country and to develop guidelines for agriculture and nutrition practitioners, governments and NGOs. An action plan was formulated to scale up nutrition interventions in the selected country and increase smallholder farmers' access to markets. The REACH regional facilitator based in Senegal and hosted by UNICEF provided critical support.
- 67. REACH also partnered with the United Nations Millennium Project for Millennium Villages in several African countries. Models will be developed for integrated delivery of nutrition interventions at the community level.



#### World Bank

68. WFP's collaboration with the World Bank intensified during 2009. The financial crisis steered the direction of this partnership towards a focus on safety nets. The joint publication *Rethinking School Feeding: Social Safety Nets, Child Development and the Education Sector* demonstrated the importance of school feeding as a safety-net tool.

- 69. Other areas of collaboration included agriculture, climate change and nutrition, all of which feature in the World Bank's Global Agriculture and Food Security Program, a multi-donor trust fund to assist in implementing pledges made at L'Aquila. WFP was involved in discussions about the development of mechanisms for this fund, which may provide funding opportunities in 2010. A further area of collaboration was the World Bank's review of WFP's financial architecture, which yielded the report "Food Assistance in a Changing World: Initial Observations on Improving Risk Management for the World Food Programme", issued in April 2009. In November, the World Bank presented key findings to the WFP Executive Board.
- 70. Collaboration at the country level continued during 2009, with an increasing understanding of the benefits of such strategic partnerships. Both organizations continued to be active in Ethiopia's Productive Safety Net Programme. In Burkina Faso, progress on safety nets included cash vouchers and in Kenya, a strategy for home-grown school feeding.

#### **UNAIDS**

- 71. WFP continued to engage with UNAIDS in HIV/AIDS prevention, treatment, care and mitigation activities, exploring new ways of supporting patients receiving anti-retroviral therapy. This included food by prescription; specially formulated ready-to-use food products; nutritional assistance in paediatric HIV disease management; and social safety-net mechanisms for people living with HIV and AIDS-affected households.
- 72. As a UNAIDS Co-sponsor, WFP contributed to the formulation of the UNAIDS Joint Outcome Framework for 2009–2011. According to this framework, WFP's HIV/AIDS interventions will focus on: i) nutritional support in HIV treatment and care programmes; ii) nutritional support in tuberculosis programmes; and iii) social safety nets for people affected by HIV, including orphans and other vulnerable children.

#### **Non-Governmental Organizations**

- 73. In 2008, WFP continued to partner with 230 international and 2,607 national NGOs in 69 countries; these partners included community-based organizations. NGO partners distributed 1.9 million mt of food almost 50 percent of WFP's total.
- 74. WFP's new areas of collaboration with NGOs reflected a shift from food aid to food assistance. Oxfam GB implemented a voucher scheme in the Occupied Palestinian Territory; World Vision and Emmanuel International supported the cash-and-food-for-livelihoods pilot project in Malawi; Mercy Corps managed a cash-for-work project in rural Nepal; and national NGOs in Bangladesh, Pakistan and Zambia were involved in various cash and voucher scheme activities.
- 75. WFP's partnership with NGOs goes well beyond the operational level, extending to strategic and policy discussions. On 14 and 15 October 2009, WFP's 15<sup>th</sup> annual NGOs consultation was attended by 19 NGO partners, the International Committee of the Red Cross, the International Federation of Red Cross and Red Crescent Societies and an NGO umbrella organization.



#### **Common Humanitarian Air Services**

76. WFP continued to provide common humanitarian air services on behalf of the international community through the United Nations Humanitarian Air Service (UNHAS), carrying 269,703 passengers and 8,947 mt of relief goods to remote and insecure areas in 2009. These flights supported responses to sudden-onset emergencies and ongoing relief efforts at the request of UNCTs and HCs. The Flight Safety Foundation presented WFP's Aviation Safety Unit with the 2009 President's Citation Award for bringing state-of-the art safety practices to humanitarian air operations.

77. A Joint Inspection Unit note entitled "Review of the United Nations Humanitarian Air Service (UNHAS)" was issued in 2009. It recommended re-affirming the UNHAS mandate, finding sustainable funding mechanisms and upgrading the United Nations aviation standards that regulate the use of chartered aircraft. The IASC also reiterated the need to address issues of mandate and sustained funding mechanisms; a group of organizations will prepare a proposal for the next meeting of the IASC Working Group in 2010.

#### **Enhancing Security**

- 78. Insecurity and targeted threats against United Nations and partner staff continued to pose significant challenges to operations, particularly in Afghanistan, Pakistan, Somalia, the Sudan and Yemen. In 2009, there were 500 significant security incidents involving WFP staff or assets. This included a suicide attack on the WFP country office in Islamabad in October that killed five WFP staff members and seriously injured four others. While the implementation of security measures mitigated a greater loss of life and physical damage to the office, the incident signalled a new trend of targeted terrorist attacks against United Nations staff. This was followed by the murder of five United Nations staff members in Kabul by militants.
- 79. Immediately following the attack in Islamabad, WFP and the United Nations Department of Safety and Security launched an independent review of the circumstances of the attack in order to address issues related to security risk management. These issues included acceptable risk, the programme assessment process, mitigation measures, and enhancement of safety and security for WFP and its partners, not the least national staff. The review will determine what adjustments in security are necessary to facilitate United Nations operations in insecure environments.

#### **Gender Mainstreaming**

- 80. 2009 was an important year for gender mainstreaming in WFP, with a new gender policy and corporate action plan presented to the Executive Board. The new policy is in line with the United Nations system-wide policy on gender mainstreaming, focusing on priority areas including capacity-building, accountability and partnerships. In line with its new gender policy, WFP will continue to strengthen partnerships at all levels, including working with other agencies to address gender issues and promote knowledge sharing.
- 81. WFP continued to play an active role in the IASC sub-working group on gender and humanitarian action, the United Nations Action Against Sexual Violence in Conflict (UN Action) and other United Nations task forces. Contributions to inter-agency discussions on gender issues focused on eliminating gender based violence in conflict and post-conflict situations.



#### **Institutional Governance**

82. WFP coordinated the Joint Meeting of the Boards of UNDP, UNFPA, UNICEF and WFP, which took place in New York on 23 and 26 January 2009. The main topics included population growth and rapid urbanization, links between unstable food prices and food and nutrition security, and harmonization among the United Nations funds and programmes.

- 83. Addressing the challenges arising from more people worldwide living in urban areas than rural ones featured prominently in the discussions. Participants voiced their support for United Nations agencies to increase their activities in urban areas, but cautioned against neglecting rural areas. Participants also stressed the importance of transferring cost savings realized through harmonizing business practices at the country level back to those countries. In addition, it was recommended that the United Nations enhance its focus on national capacity development, as articulated in the Triennial Comprehensive Policy Review 2007.
- 84. A delegation of members from the Executive Boards of WFP, UNDP, UNFPA and UNICEF visited Cambodia from 5 to 12 March 2009. The visit, coordinated by WFP, allowed Board members to gain insight into the contributions the United Nations system is making in the country.



#### ACRONYMS USED IN THE DOCUMENT

CAADP Comprehensive Africa Agriculture Development Programme

CAP Consolidated Appeals Process

CEB Chief Executives Board

CERF Central Emergency Response Fund
CFS Committee on World Food Security
DRC Democratic Republic of the Congo

ECHA Executive Committee on Humanitarian Affairs

ECOSOC Economic and Social Council of the United Nations

FAO Food and Agriculture Organization of the United Nations

HC Humanitarian Coordinator

HLCM High-Level Committee on ManagementHLCP High-Level Committee on Programmes

HLTF High-Level Task Force

IASC Inter-Agency Standing Committee

ICT information and communications technology

IFAD International Fund for Agricultural Development

IPC Integrated Food Security Phase Classification

IPSAS International Public Sector Accounting Standards

JCI Joint Crisis Initiative

MDG Millennium Development Goal

NEPAD New Partnership for Africa's Development

NGO non-governmental organization

OECD Organisation for Economic Co-operation and Development

P4P Purchase for Progress
RC Resident Coordinator

UNAIDS United Nations Joint Programme on HIV/AIDS

UNCT United Nations country team

UNDAF United Nations Development Assistance Framework

UNDG United Nations Development Group

UNDP United Nations Development Programme

UNFPA United Nations Population Fund

UNHAS United Nations Humanitarian Air Service

UNICEF United Nations Children's Fund



WGPI Working Group on Programming Issues

WHO World Health Organization

WINGS II WFP Information Network and Global System

