

# Introduction to Resource Management

Resource Management Seminar:  
First Session  
Rome, 27 January 2015



**World Food Programme**

# Agenda

## First Session

- Introduction of new Resource Management (RM) Department
- Overview of RM Areas of Work
- Executive Board Time Table and Key Documents
- Questions and Answers

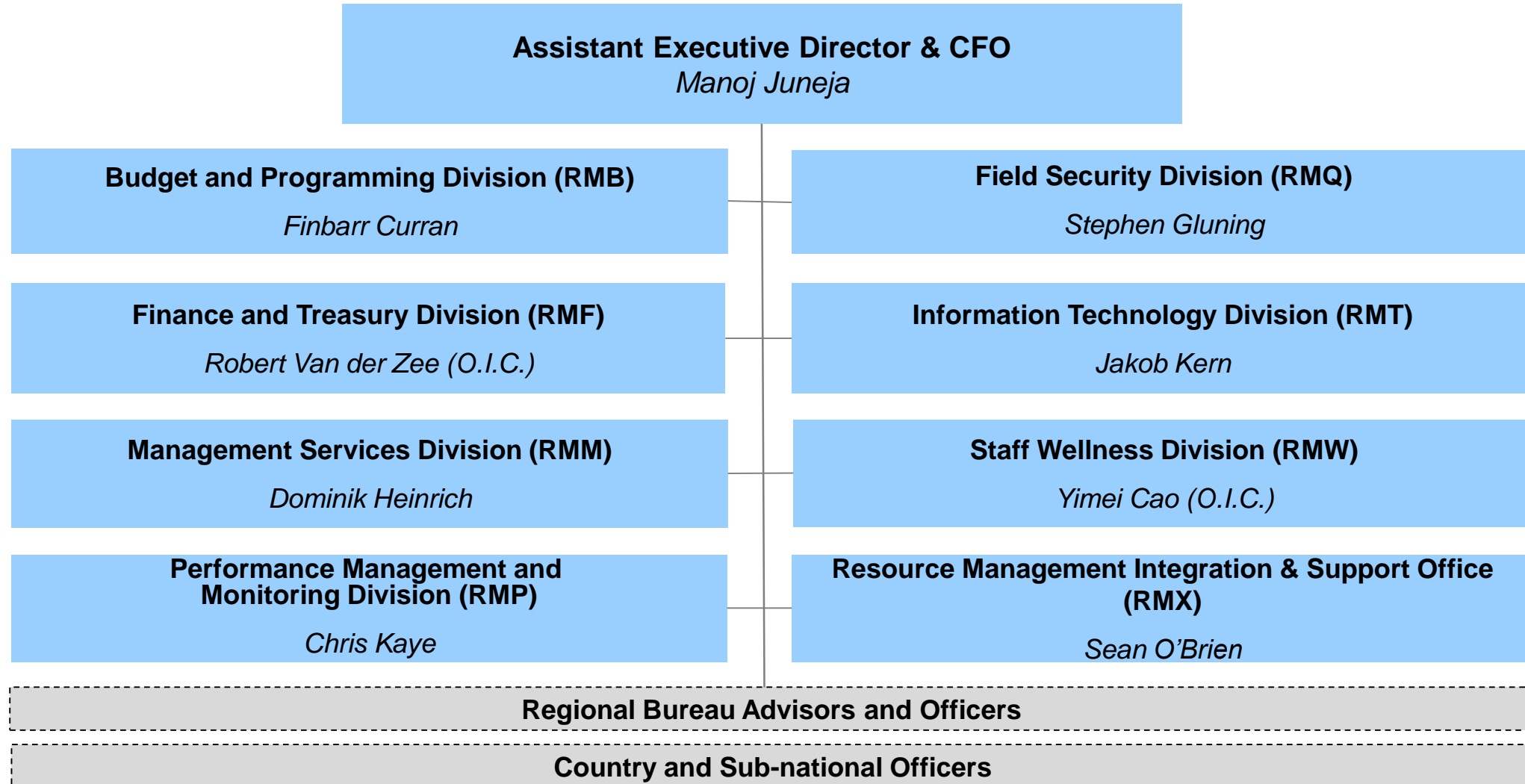
## *Coffee Break*

## Second Session

- **WFP's Financial Resource Management:**
  - Planning
  - Implementation
  - Reporting
  - Internal Control
  - Risk Management

# Introduction of new Resource Management Department

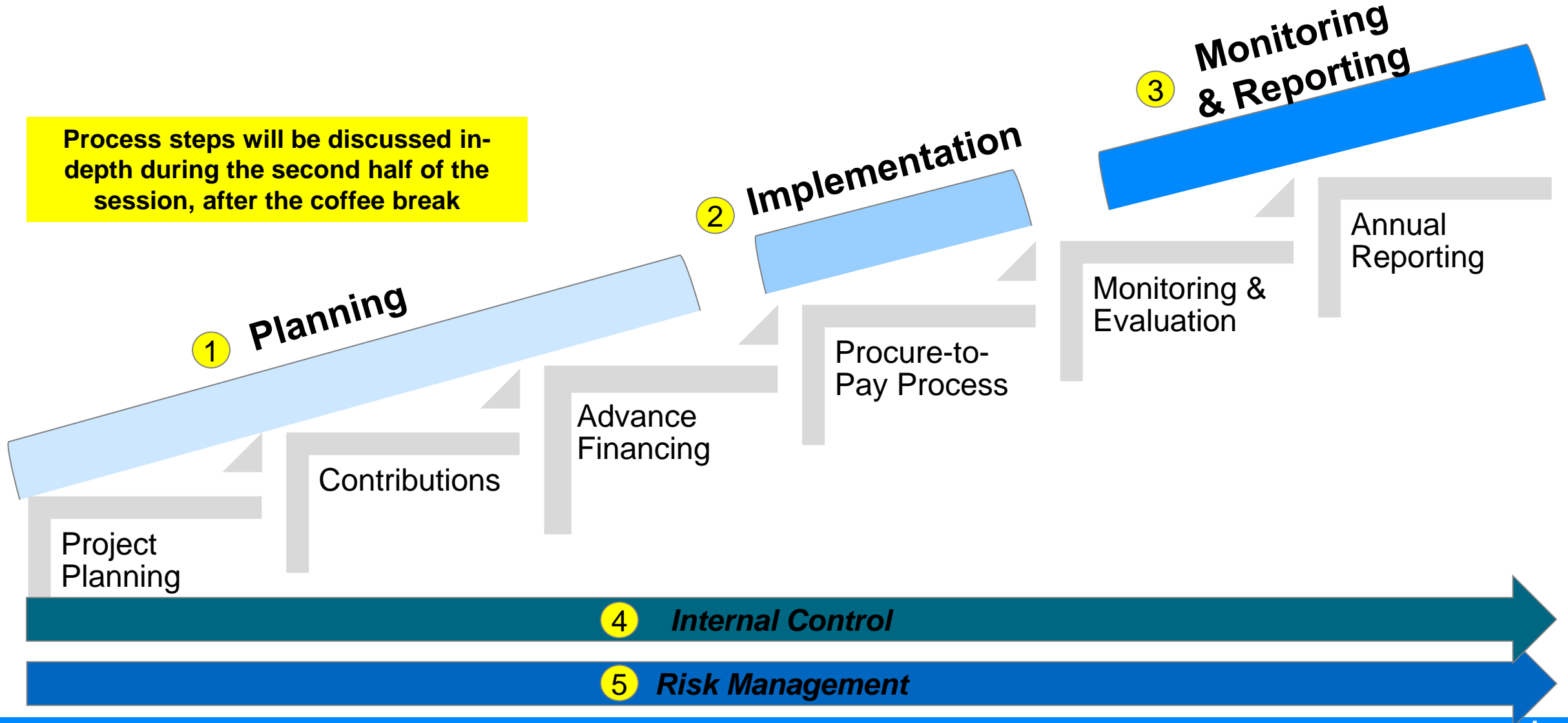
# Resource Management Department (RM)



# Overview of RM Areas of Work

# WFP's Financial Resource Management

Process steps will be discussed in-depth during the second half of the session, after the coffee break




# Planning

# Planning: Contributions by Funding Window

Three types of funding windows for contributions:

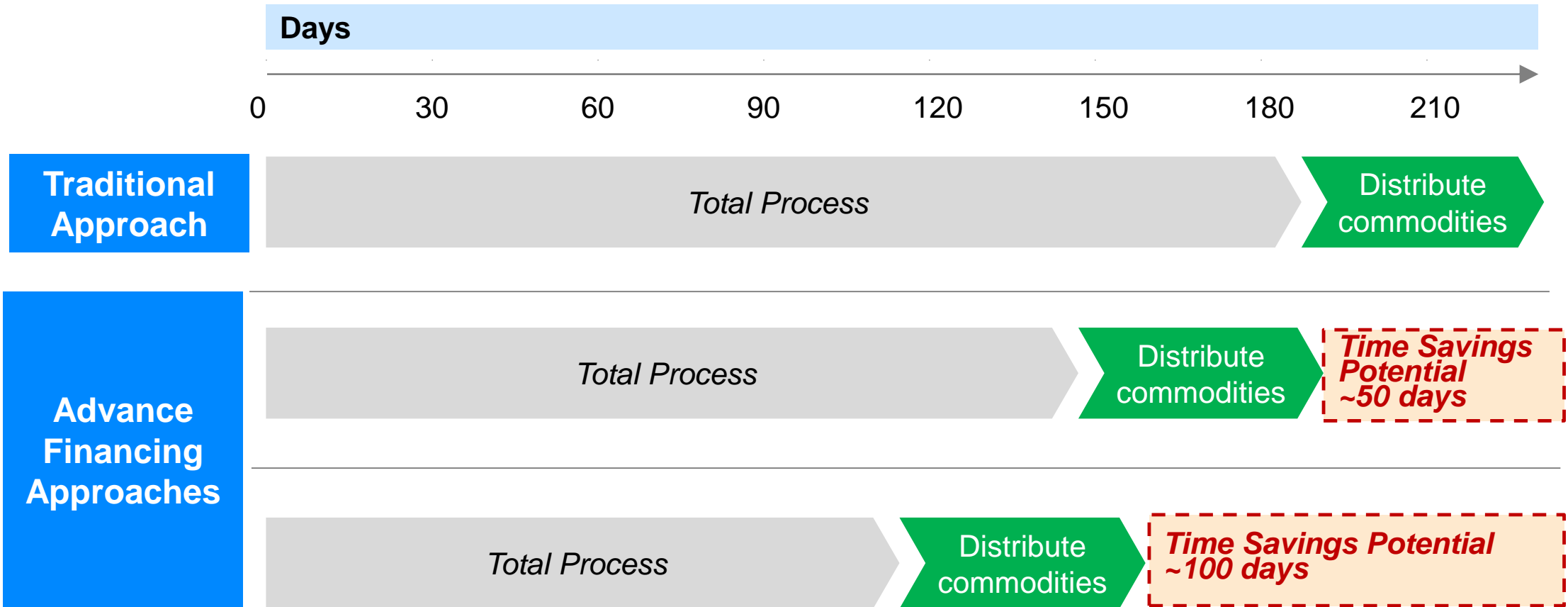
Proportion of funding:\*

<b>Multilateral</b>	<ul style="list-style-type: none"> <li>• <b>Most flexible</b> source of funding for WFP</li> <li>• Allocated and prioritized by Strategic Resource Allocation Committee (SRAC)</li> <li>• Can be donated to the General Fund; the IRA; specific programme categories; and specific broad-based appeals</li> </ul>	<p>8.1%</p>
	<p><i>Immediate Response Account (IRA): A form of multilateral contributions also collateral</i></p>	<p><i>Target level: USD 200 million</i></p>
<b>Directed Multilateral</b>	<ul style="list-style-type: none"> <li>• <b>Directed by donor to a specific WFP activity</b> or country programme</li> <li>• Standard Project Reports that are submitted to the Executive Board</li> </ul>	<p>89.4%</p>
<b>Trust Funds</b>	<ul style="list-style-type: none"> <li>• Used by donors to support bilateral country-level activities, or global initiatives</li> <li>• Includes contributions for infrastructural needs</li> </ul>	<p>2.5%</p>

**All contributions to WFP are voluntary. They can be in the form of monetary contribution, or in-kind contributions of food commodities; or goods and services.**



# Planning: Advance Financing helps us deliver assistance faster



**Advance financing can reduce food delivery times by moving process steps in parallel**

# Implementation

# Implementation: 2013-2015 Some Key Numbers

USD million

	2015	2014	2013
Operational Requirements per Management Plan (MP)	7,446	5,857	4,969
Actual Contribution Revenue	???	5,378*	4,379
Regular Programme Support and Administrative (PSA) budget	281	281	256
PSA Equalization Account		191	121

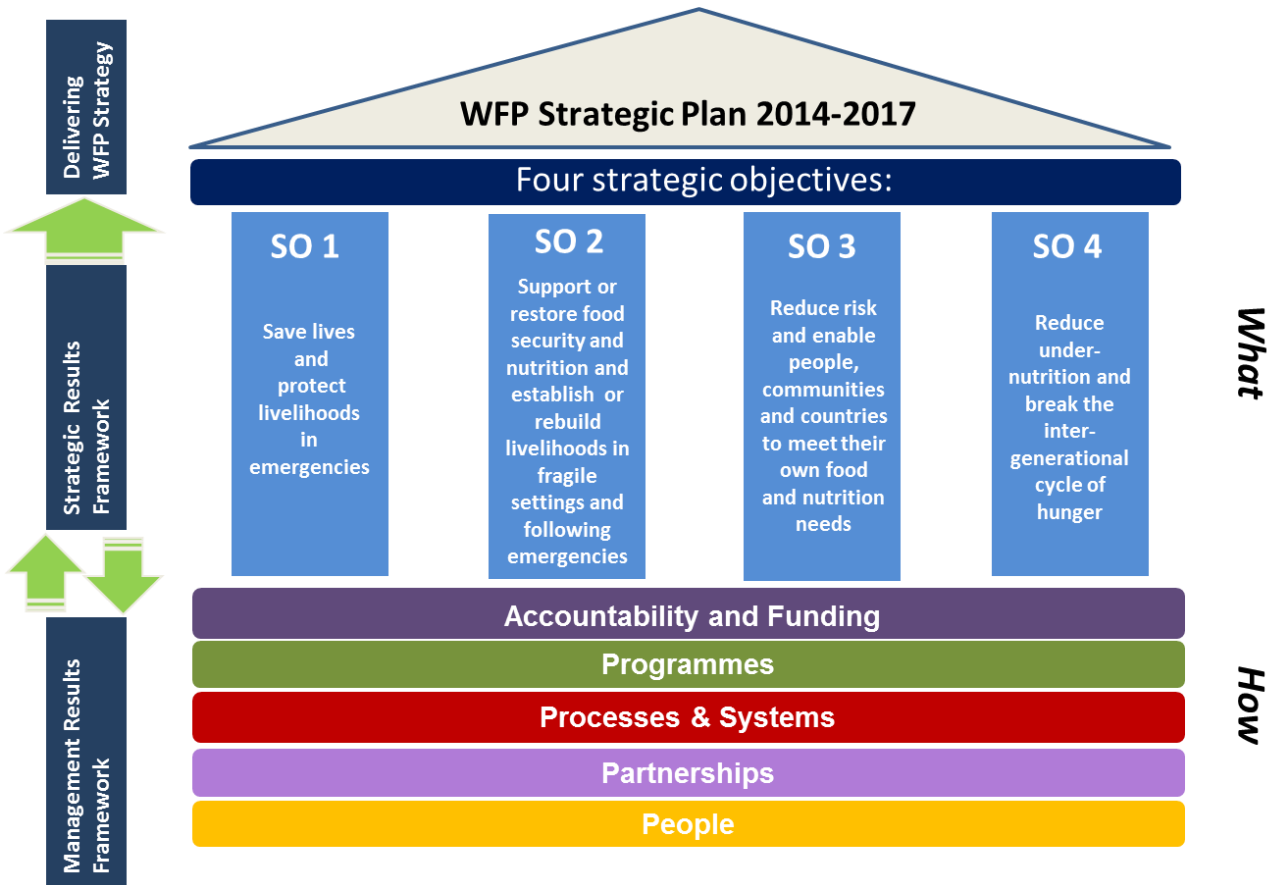
Increase due to unprecedented number of L3's

**PSA budget covers programme support and administrative costs, primarily at HQ and Regional Bureaux. It is funded from a share of actual contribution revenue.**

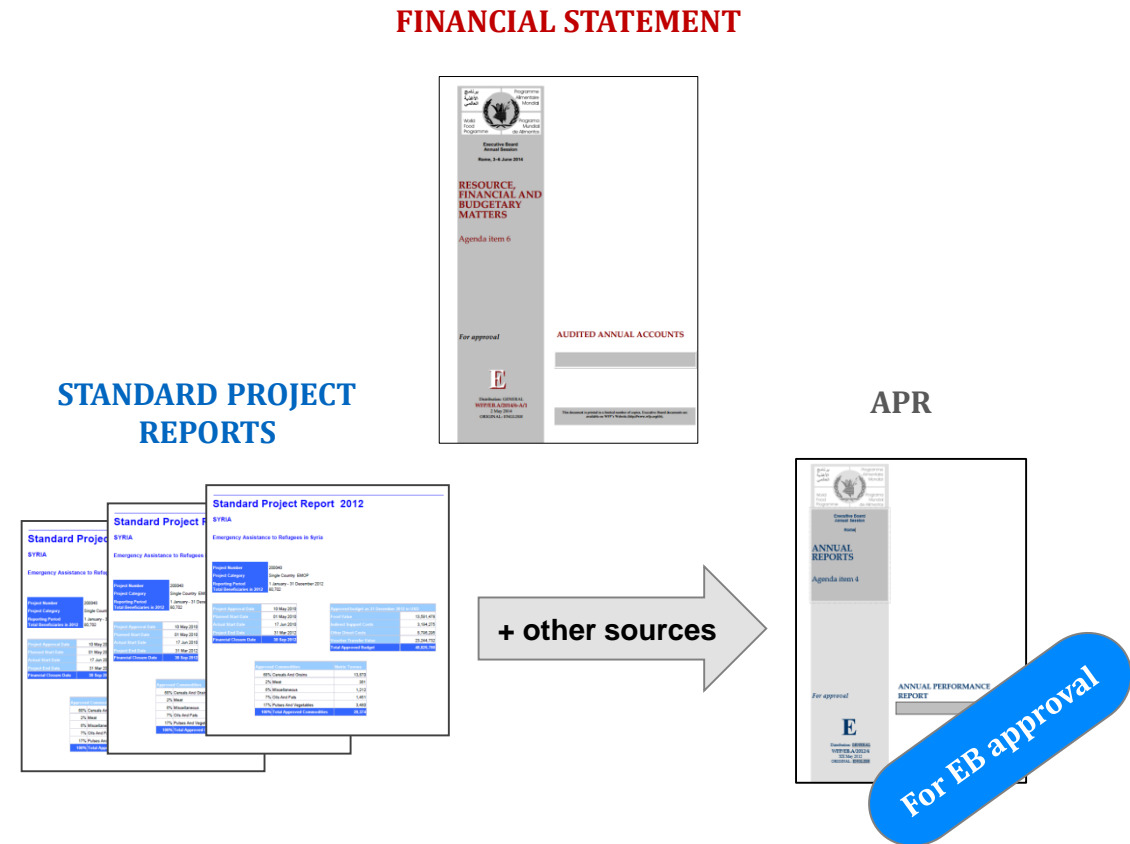
# Monitoring and Annual Reporting

# Monitoring and Reporting

## Monitoring:



## Reporting:



# Internal Control

# Internal Control: WFP's Internal Control Framework supports good programme and financial management

Based on COSO international best practice

**1. Internal Environment**



**2. Risk Management**



**3. Control Activities**



**4. Information & Communication**



**5. Monitoring**



**WFP's Internal Control Framework has five elements which are used for all Internal Control improvement tools**

# Risk Management



# Enterprise Risk Management: WFP is developing an Internal Policy

Thematic areas at a glance:



## Developments and Next Steps:

- WFP will present an update of its Enterprise Risk Management Policy at the Annual Executive Board session of 2015
- There have been numerous developments with respect to Enterprise Risk Management since the last Policy was approved in November 2005 (WFP/EB.2/2005-E/1). These include:
  - *Mainstream and integrate risk management in our strategy, project design and operations*
  - *Ensure risk management is understood as an integral part of our internal control environment*
  - *Risk Appetite Statement*

# Executive Board Time Table and Key Documents

# Key Dates and Documents for 2015 (tentative)

## Key dates:

27 January	Resource Management Seminar
9-10 February	<b>First Regular Session of the Executive Board</b>
3 March	Informal Consultation on the WFP Enterprise Risk Management Policy
17 March	Informal Consultation on the Financial Framework Review (including ISC)
4 May	Informal Consultation on Resource Management issues at EB.A/2015
4 May	Briefing on the Management Plan (2016-2018)
25-29 May	<b>Annual Session of the Executive Board</b>
9 July	First Informal Consultation on the Management Plan (2016-2018)
2 September	Second Informal Consultation on the Management Plan (2016-2018)
9-13 November	<b>Second Regular Session of the Executive Board</b>

## Key documents:

### First Regular Session (9-13 February)

Reports by the Joint Inspection Unit Relevant to the Work of WFP

### Annual Session (25-29 May)

Annual Performance Report

WFP Enterprise Risk Management Policy

Financial Framework Review (Including Indirect Support Cost)

Audited Annual Accounts, 2014

WFP Security Report

Report on the Implementation of the External Auditor Recommendations

Report on the Utilization of WFP's Advance Financing Mechanisms

### Second Regular Session (9-13 November)

WFP Management Plan

Update on Financial Framework Review (FFR)

**Please see RM Brochure for document descriptions**

# The End

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