

**PRELIMINARY ANALYSIS OF  
WFP'S COMPARATIVE ADVANTAGE,  
STRENGTHS AND WEAKNESSES**



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- Deep field presence and global reach
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- Role of other partners and actors
- Strengths and weaknesses

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- Recognized leadership in tackling emergencies
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- Leadership in assessment and targeting
- Role of other partners and actors
- Strengths and weaknesses

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- Role of other partners and actors
- Strengths and weaknesses

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- Role of other partners and actors
- Strengths and weaknesses

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- Strengths and weaknesses

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- Role of other partners and actors
- Strengths and weaknesses

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- Strengths and weaknesses

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- Strengths and weaknesses

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- Role of other partners and actors
- Strengths and weaknesses

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- WFP Activities
- Role of other partners and actors
- Strengths and weaknesses

## **I. BACKGROUND**

1. As WFP contemplates its strategy for the future, it is important to take a close look at its comparative advantage, as well as its strengths and weaknesses. This will allow WFP to understand how well it is positioned for the objectives it wants to reach – and what types of partnerships it needs to engage in. Such an analysis is the natural complement to the two earlier Strategic Plan background notes – on the external environment and on WFP tools and approaches – that were discussed with WFP’s membership in August and October 2007.
2. This background note presents the main components of WFP’s comparative advantage and assesses WFP’s strengths and weaknesses with regard to each of them (Section II), taking into account what partners and other actors may also be doing. It also addresses other areas of particular importance in the fight against hunger, areas in which WFP is not meant to play the leading role because others are better-positioned to do so (Section III).
3. The analyses presented here draw on WFP’s past experience. The primary sources are external and internal thematic and country-specific evaluation reports of the period 2004–2007. It should be noted, however, that particular strengths and weaknesses may in some case be more of a reflection of what has managed to attract special funding and what has not – rather than a true reflection of what WFP’s strengths objectively should be. The analysis should therefore be considered as an important input for defining WFP’s Strategic Objectives and goals.

## **II. WFP’S COMPARATIVE ADVANTAGE**

4. The analysis here highlights key areas in which WFP demonstrates a clear comparative advantage as an organization. The theory of comparative advantage implies that goods or services should always be delivered by the organization that is best-positioned to do so in the most efficient way. Comparative advantage is often linked to strengths and weaknesses, but these are not the same. In some cases, WFP’s comparative advantage may be absolute and unassailable. In other cases, WFP may have a comparative advantage in a field mainly due to the fact that there are no other or better-positioned actors. Some comparative advantages are inherent, but many others have been acquired (such as WFP’s vulnerability analysis and mapping).

### **A. Deep Field Presence and Extensive Field Network**

5. The depth and extent of WFP’s field presence is unique among international agencies and clearly a key component of its comparative advantage. Its importance to the organization cannot be overemphasized, and is one of the key features that set WFP apart.

6. *Deep field presence and global reach.* WFP operates in six regions (76 countries): Asia (ODB – 14 countries; 69 sub-offices); Middle East, Central Asia and Eastern Europe (ODC – 13 countries; 17 sub-offices); Western Africa (ODD/Y – 19 countries; 53 sub-offices); Southern, Eastern and Central Africa (ODJ/K – 19 countries; 32 + 63 sub-offices); Latin America and Caribbean (ODP – 10 countries; 35 sub-offices); and Sudan (ODS; 34 sub-offices). WFP's expenditures and staff distribution follow the same logic with a large majority allocated to field operations. In 2006, 92 percent of WFP staff members were based in field offices, while 8 percent worked in Headquarters in Rome and in the liaison offices. At the same time, 93 percent of WFP total expenditures were dedicated to field operations.
7. WFP's deep field presence and extensive network have important implications for the organization and for those it serves. In many situations, WFP may be one of the few – and sometimes the only – international organization present. This field base enables WFP to ensure that assistance gets to the people who need it in a timely manner. It also gives WFP a privileged understanding of the situation and of the needs of the communities in which it works. In fragile-state, conflict and post-conflict situations, WFP's presence itself contributes to the protection of displaced and vulnerable people, thus enhancing human security.
8. At the same time, WFP is also exposed to significant security risks while its staff endures conditions which few others would accept. WFP – as well as other global actors who are on the front line of humanitarian and other crises – face challenges relating to deployment, security and family concerns of staff. One of WFP's greatest assets is its staff's determination and motivation. WFP has over 10,000 dedicated staff, often operating under difficult conditions where security threats and risks to personal safety are considerable. For example, in 2006 in Somalia, despite the widespread insecure environment, WFP deployed about 100 staff members in 15 sub- and field offices distributing – together with its partners – 78,000 mt of food to 1.4 million vulnerable people.
9. *Extensive network of field partners.* WFP's extensive country presence has enabled it to develop close relationships with many governments and local authorities in recipient countries. These relationships usually mirror the extent of WFP's field presence, i.e. they usually extend down to the regional and even local level. In most countries, relationships are complemented by partnerships with local and international non-governmental organisations (NGOs), with whom WFP has signed national or local field-level agreements.
10. *Role of other partners and actors.* When WFP delivers food to regional hubs, the "last mile" is usually taken care of by government counterparts or NGOs. It is therefore critical for WFP to be able to rely on food aid monitors who are posted in sub-offices and cover their respective areas.

11. NGOs are critical in that they augment WFP's already extensive field presence. In 2006, half of WFP food tonnage was distributed through NGOs. During 2006 almost 90 percent of WFP's country offices recorded an operational partnership with at least one NGO. Besides the collaboration with the big international NGOs that help manage large responses, WFP can count on partnerships with many small local NGOs that maximize the impact of its interventions by increasing their outreach to remote communities and small groups of beneficiaries.
12. *Strengths and weaknesses.* While some other organizations work in similar ways, WFP's existing structure is both flexible and not easy to replicate. It is flexible as it allows WFP to have a deep field presence even without having its own staff in each major town or province. It enables WFP to scale up quickly when a crisis occurs by drawing on partners and also to withdraw as a situation normalizes. It is very hard to replicate because these relationships are usually built over years. It usually also takes years for two partners to get to know each other well, to understand each other's strengths and weaknesses and thus develop full complementarity.
13. The networks WFP has built at the field level are, therefore, one of WFP's biggest strengths. WFP's capacity to respond goes much beyond its own capacity because of those networks. They provide a ready-to-use platform when a disaster strikes, but are also an invaluable source of information about the situation of the most vulnerable. Both of these strengthen WFP's ability to effectively respond to crises.
14. The "Tsunami Response Evaluation Report" provides evidence both for how useful partnership networks such as WFP's can be and how the absence of such a network can limit WFP's ability to respond. On the one hand, in Indonesia, it took months for WFP to develop a systematic food-distribution programme, partly because of the capacity limitations of some implementing partners, most of whom WFP had not worked with previously, and the fact that WFP had no own field presence in Aceh. In Sri Lanka, on the other hand, some capacity was already in place when the disaster struck (the Government took the lead and WFP was already running a protracted relief and recovery operation (PRRO)), enabling a more rapid response.
15. Even though there is consensus around the importance of an extensive field presence, WFP is continuously balancing trade-offs between a broad country presence in terms of number of countries and depth in each of them. WFP is exploring ways to leverage its regional bureaux as well as creative ways to maintain a country presence without a full-fledged office. The opening of joint offices within the framework of the United Nations reform process presents significant opportunities in this regard. It may enable WFP to maintain its current reach, while at the same time focussing its limited resources even more in those areas where the needs are greatest.



## **B. Quick and Effective Emergency Response, Including on a Large Scale**

16. Much of WFP's reputation rests on its unmatched ability to respond quickly and effectively in crisis situations, as well as its capacity to intervene on a massive scale. These are acquired, but core elements of WFP's comparative advantage, are widely recognized as such.
17. *Recognized leadership in tackling emergencies.* WFP's capacity to respond to emergencies at short notice and on a large scale has often been tested, including in 2004–2005 when multiple crises struck within a limited timeframe – major earthquakes in Iran and Pakistan, humanitarian crisis in Darfur, the tsunami, and major droughts in Niger and southern Africa. In the summer of 2006, WFP's quick response capacity was again tested when a crisis erupted in Lebanon. Within days, WFP deployed a team to assess requirements for food, logistics and security support while its regional bureau quickly carried out an assessment of food availability and supply in the country. United Nations clusters were activated to facilitate the provision of humanitarian relief to the areas most affected. WFP launched three Special Operations. Immediate Response Account (IRA) and Central Emergency Response Fund (CERF) allocations provided immediate resources to purchase food in the region. WFP worked to secure access to beneficiaries through a neutral supply chain managed by the United Nations, with coordinated humanitarian aid deliveries. By the end of the operation, WFP had assisted 824,000 people in Lebanon and Syria affected by the conflict, 49 percent more than planned.
18. Some of WFP's largest operations are complex emergencies that result from a combination of factors including conflict, draught, economic collapse, etc. These complex emergencies often involve large numbers of refugees or internally displaced persons (IDPs), categories – among the most vulnerable – that often have serious difficulties in meeting their most essential basic needs, including food. WFP provides food assistance to refugees or IDPs in different contexts such as the Sudan or Chad. Furthermore, WFP also complements the work of partners by providing essential support for logistics services and other emergency supplies.
19. WFP contributes to the efforts of individuals, communities and countries to recover and rebuild in the aftermath of an emergency. WFP can do this by supporting the return of refugees and IDPs and the re-establishment of livelihoods for recovering communities, thereby enhancing human security. This also often requires rebuilding food delivery systems and community services infrastructure so that markets can gradually return to functioning and beneficiaries can return to satisfying their needs by themselves.
20. *Humanitarian logistics and emergency information and communications technology (ICT) leadership for the United Nations.* WFP's logistics capacity allows it to provide timely responses to emergencies even in cases where the overall security context puts pressure on operations. As leader of the United Nations

logistic cluster, WFP provides logistics services to partners. As co-leader of the emergency ICT cluster, WFP plays a key role in the rapid deployment of necessary communications infrastructure for humanitarian operations, making much use of its Foodsat service. WFP is also the custodian of the United Nations Joint Logistics Centre (UNJLC) whose role is to optimize and complement the logistics capabilities of cooperating agencies within a well-defined crisis area for the benefit of the ongoing humanitarian operation. Also, United Nations Humanitarian Air Service (UNHAS) is a service that WFP runs for the humanitarian community during emergencies and that includes direct, reliable and safe air transportation.

21. *Leadership in assessment and targeting.* In crisis situations, WFP is recognized to have improved the quality and credibility of its emergency needs assessment (ENA). In particular, WFP benefits from specialist staff, good partnerships and sound assessment methods for market analysis. WFP's vulnerability analysis and mapping (VAM) service has enabled WFP to play a leading role in assessment and targeting in many countries. Together with Food and Agriculture Organization of the United Nations (FAO), WFP assesses the crop and food supply situation of emergency affected areas in order to provide assistance and prepare for the long-term response. Furthermore the two organizations jointly carry out Crop and Food Supply Assessment Missions, at the request of national governments, to provide information on potentially developing situations of food insecurity and on the appropriate actions to take.
22. *Role of other partners and actors.* During emergencies many actors are involved and needed in order to have an effective and quick response. National governments generally lead the response by deploying all their resources and by coordinating the activities of other actors. Unfortunately, at times, national governments do not have enough resources and capacity to face crises alone. Developed countries, international finance institutions and – to a certain extent – the private sector and foundations can play a major role in mobilizing and providing the needed resources to respond to hunger. International organizations and their partners, including WFP, help design and implement programmes aimed at saving lives and livelihoods.
23. For example, Office for the Coordination of Humanitarian Affairs (OCHA) helps mobilize and coordinate an effective humanitarian response. The Office of the United Nations High Commissioner for Refugees (UNHCR) contributes to the provision and the delivery of shelter, food, water, sanitation and medical care for refugees and some displaced populations including vulnerable women, children and the elderly. FAO's role is essential to restoring rural livelihoods and food security by providing technical advice and coordination in agricultural relief and rehabilitation. United Nations Children's Fund's (UNICEF) work includes: emergency immunization; micronutrient supplementation and therapeutic feeding; safe supplies of drinking water and sanitation interventions; and emergency education, with a special focus on the

needs and rights of children. World Health Organization (WHO) focuses on the health-related aspect of emergencies, providing direct life-saving actions as well as contributing to the recovery of the local health systems.

24. Due to their constant and deep field presence, NGOs help ensure that responses are taken to scale. NGOs facilitate the emergency needs assessments and targeting as well as the distribution of essential supplies such as food, shelters, sanitation, medical care, seeds, working tools and fertilizers, thus contributing to both saving lives and restoring livelihoods. They play a vital role in multi-sectoral, community based responses, particularly when strong local NGOs with deep community knowledge are involved in the response.
25. *Strengths and weaknesses.* WFP is widely recognized to be the best equipped to respond quickly and effectively to emergencies. This includes WFP's unparalleled ability to move significant amounts of food and other commodities in a short period of time and has been widely acknowledged by other agencies and NGOs, which have contracted logistics and ICT services from WFP in recent emergencies. WFP also seems unique in its ability to raise and make available funds and trigger operations which reflect the sometimes large size of the disaster.
26. One of WFP's principal strengths, not only in emergency contexts, is its ability to combine analytical depth with implementation capacity. An additional strength in emergency contexts is WFP's ability to shift from relief food assistance towards more recovery-oriented activities, which can help fill the gap between emergency and development contexts and promote self-reliance. In many countries, WFP has proven an invaluable partner to the government in designing and implementing effective safety-net programmes.
27. WFP's programmes are also designed to gradually increase the contribution of national and local governments and communities until they assume full responsibility of it. Many countries that were previously WFP recipient partners have themselves taken over full responsibility for the management of their own programmes. WFP no longer operates food assistance delivery programmes in about thirty countries where it previously worked – including Vietnam, Morocco, Botswana and Guyana, for example.
28. Despite significant investments and improvements in recent years, WFP's ENA still require strengthening. One evaluation argues that WFP puts insufficient emphasis on long term surveillance as opposed to ad hoc assessments. The participation of food-insecure people in the assessment process needs to be improved. WFP also needs to improve the linkage between needs assessments and programming decisions so as to ensure programming decisions are always based on the knowledge generated in assessments and thus address the assessed need. It has also been noted that WFP's needs assessments lack comparability over time and between countries.

29. While WFP has made impressive progress on hiring and retaining qualified staff, the tsunami evaluation report highlighted some weaknesses with regards to staff deployment in emergency settings. Despite the emergency roster, there was a lack of appropriate qualifications. Sending people from Headquarters or other locations for short periods of time was helpful, but also led to high turnovers given that many international professionals left after a preset period of time, often without somebody with the right qualifications to hand over to.
30. It has also been pointed out repeatedly that WFP suffers from an insufficient attention to the capacity-strengthening of partners in emergency contexts, which is in turn crucial for timely and successful hand-over of operations to implementing partners. In part, this comes from the particular contexts of WFP operations, which often make it difficult to find the appropriate capacities at the local level. But another cause is WFP's funding mechanisms, which closely link cash resources to commodity delivery, and hence do not encourage the provision of non-food services. It must also be noted that WFP's emergency operations (EMOPs) do not always plan a clear handing over strategy, thus leaving aside essential partners during the design phase of the operation.

### **C. Unique Role in Disaster Prevention and Adaptation to Climate Change**

31. Climate change is already happening and is set to become one of the most significant challenges facing the world. Dealing with it requires collective action and substantial investment in mitigation and adaptation efforts. Climate change has a global extent but the poorest and most vulnerable communities are most affected as they rely on climate-sensitive sectors and lack the capacity to adapt. Furthermore, climate change threatens already fragile food security ecosystems throughout the developing world.
32. WFP is already a frontline implementing agency in dealing with the impacts of climate change. WFP fights hunger and destitution brought on by complex humanitarian crises manifested by droughts; floods; degradation of natural resources; population pressure in fragile areas; weak physical, institutional and human capacity; and political conflict. Increasingly, these crises may be caused or aggravated by climate change.
33. *Long experience in building resilience to climate-related shocks.* WFP provides humanitarian assistance to millions of poor and vulnerable households and communities in which food security and livelihoods are threatened by climate-related shocks. Some of WFP's interventions, such as tree planting, water control and land regeneration, directly address the challenges raised by climate change, such as desertification, soil erosion, floods and droughts and therefore contribute to build resilience and adaptive capacity to climate-related shocks.

34. For instance, the Managing Environmental Resources to Enable Transitions to More Sustainable Livelihoods (MERET) project in Ethiopia targets food-insecure communities in degraded fragile eco-systems who are prone to drought-related food crises. The project uses food as an incentive for labour to help regenerate vegetative cover, which increases soil water capture and helps reduce the risk of drought and flooding. Another example is Sudan, where thousands of trees were planted and 27 kilometres of flood-control dykes were constructed from these activities in 2006. In Chad, 34,300 m<sup>3</sup> of water encatchments were constructed, 260 wells dug, and 7,000 m<sup>3</sup> of dams rehabilitated. In Sierra Leone, 1,300 hectares of inland swamps were rehabilitated and 800 hectares of tree crop plantations rehabilitated. Similar outcomes are evident across several countries where WFP works such as Bangladesh or Peru. Overall, WFP activities, in 2006, contributed to the planting of 1,083,999 trees and the reforestation of 142,519 hectares of land.
35. *Disaster risk reduction, preparedness and response capacity.* WFP builds capacity and protects livelihoods by promoting disaster risk reduction activities that mitigate the impacts of climate hazards. WFP helps strengthening the preparedness and response capacity of households, communities, local institutions and national governments to deal with extreme weather events as they increase in frequency and intensity. Examples include: (1) WFP's support to the African Union to build continental networks for livelihood risk analysis, vulnerability mapping and food security monitoring, with an emphasis on tracking the impacts of climate change and climate variability on agricultural productivity; and (2) WFP's support to the Latin America Emergency Preparedness and Response Network (LACERN) of partner governments, United Nations agencies and NGOs.
36. *Innovative solutions to reduce vulnerability to climate-related risk.* WFP is the insurer of last resort for the world's hungry poor. Engaging in weather risk management before disaster strikes allows WFP to further fulfil its mandate through improved emergency preparedness – financial and operational – and effective disaster reduction. WFP's emergency coordination expertise and on-the-ground presence is crucial to the successful management of this work.
37. For example, in 2005, WFP designed the Ethiopia Drought Insurance pilot project to respond to the Government of Ethiopia's concern that it would be trapped in a cycle of never ending disaster responses, not risk management. WFP entered into the first-ever humanitarian aid derivative contract with AXA Re, a Paris-based reinsurance company. The contract provided for the automatic disbursement of up to US\$7.1 million in funding if a weather index reported a significant drop in rainfall against historic averages, as this would have indicated a widespread crop failure at the end of the 2006 agricultural season. Since a severe drought did not occur in 2006, no payout from the weather derivative contract was made. Nevertheless, the pilot demonstrated that innovative ways of financing disaster are possible and that donors and

private sector institutions can together explore more effective ways to manage risk.

38. Uniquely within the United Nations system, WFP has built a leading capacity in financial disaster risk management. WFP's objective is to position the organization as the United Nations centre of excellence in disaster risk management services for vulnerable populations. Building on WFP's pioneering role in developing livelihood protection systems in Ethiopia, WFP has a competitive advantage in harnessing the most advanced financial, technological and developmental approaches to protect vulnerable populations from natural disasters related to climate change.
39. *Role of other partners and actors.* United Nations Environment Programme (UNEP) and United Nations Development Programme (UNDP) work closely together to address upstream policy issues and assist governments in developing national adaptation plans and strategies. WFP's strength is in operational support and capacity-building at the community level to address practical aspects of adaptation to climate change, a niche in which few other United Nations agencies are active. Through close partnership with UNEP and UNDP, WFP can help co-lead a comprehensive United Nations strategy to climate change adaptation that addresses a broad range of national needs from policy planning and design (UNEP and UNDP) through to practical community and household based implementation and support (primarily WFP). FAO can play a leading role in climate change policy and programme issues specific to the agriculture, forestry and fisheries sector, with WFP engagement on selected topics where our food assistance capacities and tools can play a useful complementary role.
40. *Strengths and weaknesses.* Climate change adaptation, disaster risk reduction, natural resources management for environmental conservation and hunger and poverty reduction to reduce vulnerability to climate change cannot be tackled in isolation. WFP is uniquely placed among United Nations agencies to integrate these fields of action and contribute to the global response to climate change with unique areas of comparative advantage. These include early warning and vulnerability assessments and monitoring; disaster risk reduction and mitigation; a global logistical apparatus and an extensive field network; and the implementation of a range of community-based hunger safety-net initiatives.

#### **D. Long Experience and Substantial Operational and Policy Expertise in Hunger-Related Issues**

41. Since its inception in 1961, WFP has worked to fight hunger and promote food security through food assistance. Providing life-saving food assistance to victims of hunger is a core function of WFP for which it is globally recognized and relied upon. Very few other organizations have either the long experience

or the substantial expertise in the fight against acute and chronic hunger that WFP has.

42. *Deep understanding of hunger issues and their impact.* WFP has unique expertise on hunger and its impact that comes out of more than 45 years of confronting hunger head-on – across the full range of situations, from acute short-term emergencies; to protracted refugee and IDP situations; to prevention, mitigation and adaptation; to recovery and transition situations; to profound situations of chronic hunger. WFP’s experience transcends national or regional boundaries. Because of its long first-hand experience, WFP has many insights and operational practices that are a global asset in the fight against hunger, as is the organization’s global institutional memory on hunger efforts and responses. WFP has learned much – including by trial and error – about what works and what does not work, and what may be missing.
43. For example, at the policy level, WFP’s experience makes it keenly aware of the importance of a well-integrated hunger response, the value of investing in prevention and the need for an effective hand-over that reinforces sustainable longer-term solutions as part of a well-defined exit strategy. At the operational level, WFP’s experience in addressing hunger has led the organization to invest heavily in its logistics and communications infrastructure, to prioritize contingency planning and pre-positioning of supplies and equipment and to build a staffing structure that will enable the organization to respond effectively and at short notice when the need arises.
44. *Deep knowledge about the hungry poor.* WFP is very much a field-based organization, and its closeness to and deep knowledge of the situation of hungry populations is one of its defining characteristics. WFP’s activities focus on the poorest populations, who often live in remote and under-serviced areas. In many cases they fall outside the scope of those who work in the mainstream of development efforts. WFP shows considerable strength in reaching vulnerable people and areas. This is due to a number of factors: WFP’s strong vulnerability assessment and mapping capacities which facilitate targeting, the pro-poor focus of its Enabling Development Policy, the promotion of participatory approaches, as well as its first class logistics capacity, which allows it to go where few others can and to be where few others are.
45. *Experience across a wide range of programmes.* A key part of WFP’s success has been its ability to respond to hunger needs with a range of programme responses – depending on needs and circumstances. Because this is a dynamic process, WFP is constantly looking not only to refine existing tools, but also to develop and present new ones as the need arises. Innovation inside the box and outside the box has been a hallmark of WFP, including in how its programmes respond to beneficiary needs. The mainstreaming of nutrition issues in WFP policy and operations has been a big achievement and one widely welcomed by WFP’s partners. Likewise, a stronger focus on market aspects and economic analysis have strengthened not only WFP’s needs assessment capacity, but also

enhanced the effectiveness of WFP programmes by highlighting where cash-based interventions may be appropriate and effective, and helping to better integrate food assistance into broader national development frameworks and partner strategies.

46. For example WFP has 44 years of experience in designing and running school feeding programmes. WFP partners with national governments and communities on school feeding programmes that enable more than 20 million children to concentrate on their classes rather than on hunger. School feeding programmes play an important role in broader safety-net systems by encouraging children to stay in school and by preventing them from falling into deeper levels of poverty and hunger. School feeding is also an ideal platform to deliver both macro and micronutrients – such as vitamins and minerals – that are crucial for school-age children to grow to their full physical and intellectual potential. Through “take-home rations”, school feeding programmes encourage families to send girls to school or to open their homes to orphans. Through its local purchases of food, school feeding can also promote sustainable development solutions by supporting the development of reliable markets for small farmers and local producers as well as helping them access those markets. Furthermore, school feeding programmes represent a long-term and sustainable solution to hunger since their impact on education levels will help break the inter-generational cycle of hunger and undernutrition. Within this context, school feeding programmes can transform schools into “development centres” for the whole community by proving a “ready-to-use” channel through which a broader range of services can be delivered. When crises strike, school feeding programmes can also play a particularly important role as a platform to reach children in need.
47. *Role of other partners and actors.* Hunger is a multidimensional phenomenon that affects large areas of the globe. In order to tackle it in all its causes and consequences, a large number of actors is involved at different levels, directly or indirectly. The main actors – and partners for WFP – on the front line of hunger are surely the national governments. National governments have deep knowledge of the vulnerable territories and groups within each region, local customs and habits. This “local knowledge” is a fundamental to maximize the impact of any intervention.
48. Many members of the United Nations family – such as FAO, UNICEF, WHO, United Nations Educational, Scientific and Cultural Organization (UNESCO), etc. – have long experience and expertise in hunger-related issues. For example, FAO collects analyses and disseminates data on hunger that are used by countries, other agencies and researchers all over the world. Furthermore, FAO helps developing countries to design and modernize agricultural policy in order to achieve rural development and hunger alleviation. UNICEF’s efforts focus on hunger in the life cycle of children, from pregnancy to adolescence while WHO’s experience and expertise has traditionally focused on poor



nutrition and its link with mortality and morbidity in infants, young children and mothers.

49. The Consultative Group on International Agricultural Research (CGIAR) – within which International Food Policy Research Institute (IFPRI) plays an essential role – is an important actor in the understanding of hunger and its consequences. It provides research on sustainable food security and on the most appropriate food policies to achieve it. Local and international NGOs complete the work of the national governments and international organizations thanks to their deep knowledge of the hungry poor. They provide a strong knowledge base on what works at the community level in reducing hunger on a sustainable basis.
50. *Strengths and weaknesses.* As an example of WFP's deep understanding of beneficiary needs, the organization's support to local social and economic infrastructure is now more in line with beneficiary priorities. Local stakeholders play a significant role in their identification, monitoring and evaluation. WFP's food assistance plays a fundamental role as an incentive to ensure participants devote time to the creation of productive and social assets which ultimately may enable them to restore their livelihood. In many countries, WFP has insisted on a participatory approach which enables communities to decide what assets will be most useful for their livelihoods. This has often led to decreased levels of food insecurity and vulnerability at field level. The external Enabling Development Policy Evaluation has also credited WFP's participatory approach with creating sustainable institutional changes at the community or local partner level. However, these achievements have not always translated to the macro level, where evidence of impact has been less evident, often due to the limited reach of WFP's food-for-assets operations.
51. WFP's ability to focus on and reach some of the poorest and most vulnerable populations with its programmes is widely considered a strength – be it through its school feeding programme, its mother and child health and nutrition efforts, its food and nutrition support to populations affected by HIV/AIDS, or more recently its efforts to support the development of small farmers through its local purchase of commodities, and its pilot projects using cash and vouchers. WFP has, for example, made significant progress in fighting the exclusion of PLWHA (People Living with HIV/AIDS). It has designed innovative programmes together with partners to provide incentives for treatment and, at one and the same time, enhance the likelihood of treatment being effective, through providing beneficiaries with the absolutely essential nutritional inputs they require to remain active. WFP's reaching out to them enables these groups to take part in the development process.
52. In spite of progress in identifying and reaching the most vulnerable, certain groups (such as out-of-school children and asset- or labour-poor households) often remain beyond even WFP's reach. Below district or regional level, WFP's

targeting is mostly determined by partners' capacities, priorities and resources, while food distribution at the community level is often influenced by customary and local approaches to equity issues rather than strict vulnerability-related criteria.

53. Another limitation is WFP's limited performance in monitoring, measuring and demonstrating results, particularly at outcome and impact levels. Monitoring is often too output-focussed, and not analytical enough to enable enlightened management decisions to improve programmes. During the tsunami response in Aceh, WFP found that monitoring was difficult, because only one of its traditional NGO partners had a prior presence on the island. Operations were continued past the initial target date based on government requests and perhaps overly optimistic initial assessments, but that decision did not really rely on good monitoring data. The evaluation of the Sudan EMOP has also highlighted "the lack of effective monitoring and evaluation of the distribution process and the work quality of cooperating partners".
54. WFP's role in the mother-and-child health and nutrition (MCHN) programmes is to provide the food component to complement and enhance other partners' intervention. The record on MCHN programmes has been mixed: reduction of undernutrition and increased attendance at health centres are sometimes recorded, but the evidence is rarely robust, particularly on nutrition-related results. Outcomes such as the targeted population's increased awareness of health and nutrition issues are repeatedly reported, but the effects of WFP's contributions are sometimes limited to project level. In many countries, WFP is struggling to identify an adequate partner who has the technical and organizational capacity as well as the mandate to scale up such support to infants and pregnant and lactating women. As a consequence, WFP's MCHN programmes are at times not well integrated into national frameworks resulting in partnerships with government and non-government partners often criticized as insufficient. The lack of capacity of national institutions has sometimes influenced the selection of country programme activities by favouring projects considered relatively easy to implement (such as school feeding) as opposed to more complex interventions related to health and nutrition.

**E. Ability to Strengthen Capacity through Local Purchases of Goods and Services**

55. WFP has made local and regional procurement (LRP) of food and services a priority as it recognizes the potential of LRP to be cost efficient and to have a positive impact on the economies of recipient countries. In 2006, for example, WFP procured 2 million mt of food for a total of US\$600 million. Of this 77 percent was procured in 70 developing countries, 9 percent was bought was bought in developed countries because donor restrictions required WFP to do

so and 14 percent was procured in developed countries because WFP judged that this was the most effective and cost efficient option available.

56. Several external studies have confirmed that WFP has become an important actor in many developing countries food markets, particularly in Africa and for maize. They also have argued that WFP has usually exercised a positive, stimulating role, enabling markets to develop or become more efficient through its interventions.
57. A Michigan State University paper (Tschirley, 2007) has shown that “the unit cost of locally procured maize and corn-soya blend (CSB) was only 61 percent and 52 percent, respectively, that of in-kind aid (regardless of source)”. For Kenya, Uganda and Zambia alone this generated approximate savings of US\$61 million between 2001 and 2005. The same study paints a favourable picture of WFP procurement in those countries. WFP has consistently paid competitive market prices, except for in Kenya, where a 10 percent premium was paid: “WFP has efficiently switched away from LRP when local prices exceeded import parity”. At the same time, WFP has managed the risks involved with LRP well. Despite its significant purchase volumes in those markets, the same study concludes that “in most countries at most times [...] evidence suggests that LRP has not strongly affected local prices”.<sup>1</sup>
58. Most rural households in Africa where most LRP takes place are net buyers of maize, so that WFP’s intervention – while ensuring that it does not negatively affect market prices – has significant potential to have a positive impact on rural livelihoods.
59. *Knowledge of small-scale farmers’ livelihoods.* WFP has over the years acquired deep knowledge of rural livelihoods. It understands well that many of its beneficiaries live below the poverty line or near to it even in good years and, therefore, have little resistance to even slighter shocks. Often they are trapped in a cycle of hunger which can start with a minor shock, to which they react with negative coping strategies such as selling assets or going into debt, thus further reducing their ability to sustain their livelihoods without outside assistance.
60. *Understanding the role of markets and how crisis can affect their functioning.* Markets are critical to WFP beneficiaries. Even though many of them may engage in subsistence farming, they may depend on markets to buy inputs such as seeds and fertilizer as well as to sell some of their surplus or barter it for other food commodities or services. WFP beneficiaries are the first to suffer when markets function poorly. Market inefficiencies tend to lead to access problems which result in increased prices. Given their dependence on these often inefficient markets, shocks and the often resulting breakdown in market functioning, can

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<sup>1</sup> Tschirley, D. 2007 Local and Regional Food Aid Procurement: an Assessment of Experience in Africa and Elements of Good Donor Practice. MSU International Development Working Paper No. 91. <http://www.aec.msu.edu/fs2/index.htm>. East Lansing, Michigan State University.

pose a serious threat to the hungry poor. To the extent, WFP can help stabilize and strengthen markets, render them liquid and more efficient, it can have a significant positive impact on rural livelihoods.

61. *Evolving funding structure increasingly enables to promote local markets.* Traditionally most contributions to WFP were in-kind commodity contributions in the context of significant food surpluses in the developed world. With a change in donors' mindset and the end of the food surplus era, WFP now received over half of its contributions in cash, which increases its flexibility to use procurement as a tool to reduce costs AND have a positive impact on livelihoods. This now gives WFP a significant comparative advantage in its ability for LRPs of both commodities and services such as transport.
62. *Role of other partners and actors.* WFP's primary partners in this area are national governments who need to be involved in WFP's efforts to strengthen local market mechanisms, improve efficiency, set and maintain quality standards, improve tender processes and certify suppliers who can be reliable participants in those markets. WFP also needs to interact with the private sector in the countries in which it wants to strengthen local markets. As engaging directly with small scale farmers who should be the main beneficiaries of WFP's activities would bear prohibitive costs, WFP has to rely on farmer cooperatives which can aggregate supply and ensure farmers are able to satisfy WFP's requirements in terms of process and quality. FAO and International Fund for Agricultural Development (IFAD) can also assist with technical advice and financing as already planned in a new joint programme on this subject in Mozambique.
63. *Strengths and weaknesses.* WFP has shown significant strengths in the area of local purchases of food, transport and other services. It has successfully shifted the majority of its purchase power to developing countries to benefit from lower costs and strengthen those markets without in most cases having a negative impact on prices. WFP has been flexible to supplement these purchases with commodities bought in developed countries when local markets were under stress. It has also successfully exploited the potential to procure regionally when local purchases were not an option. This is an area which shows how the different elements of WFP's comparative advantage reinforce each other positively. It is WFP's extensive field presence coupled with its logistics capabilities which enable it to optimize its procurement drawing on both local and regional markets. At the same time, WFP has successfully avoided pipeline breaks and quality problems which are among the primary risks when sourcing in less developed and liquid markets. Finally, in some cases, WFP has also been able to use new, innovative advance funding mechanisms to benefit from seasonally lower prices after the harvest even though the commodities would only be needed much later.

64. There is still major potential, however, in WFP's use of local purchases. Overall, external studies have argued that WFP needs to embrace local purchases much more wholeheartedly as a tool to affect the livelihoods of the rural populations. It needs to overcome its own hesitation to find ways of working with farmer cooperatives and other market makers proactively, to engage with local authorities and the private sector to leverage its expertise in areas such as Warehouse Receipt Systems (WRS) and standards. WFP has so far exploited the potential of local and regional markets when they would live up to its requirements, thereby running limited levels of risk; but it has not understood that it has the potential and capacity to help reduce those risks by more actively engaging in capacity strengthening in this area. WFP can also make much more extensive use of advance financing facilities to take advantage of low local commodity prices after the harvest, thereby avoiding to purchase at the peak of the market which usually occurs when demand is greatest several months later.

#### **F. Programmes that Can Generate Strong Gender Impact**

65. WFP plays a widely recognized role in improving the status of women in many countries. In 2006, 51 percent of WFP's beneficiaries were women or girls (87 percent of WFP's beneficiaries were women or children). WFP has a Gender Policy, established in 2002, that makes women's empowerment a specific programming focus for the organization. Indeed, WFP programmes have been able to help empower women and boost gender equality in tangible ways.
66. *Approaches that genuinely empower women.* Some WFP programmes, such as MCHN or Food-for-Training, are explicitly designed to help empower women. In other cases, and to the extent possible, WFP programmes give women control over the distributed food by issuing ration cards to them in their names and also giving women the authority to delegate others to receive the food on their behalf in the event that they themselves cannot come to the distribution site. In 2006, 4.7 million households' food entitlements were issued in women's names for general food distribution. Furthermore, women are also encouraged to participate in food distribution committees and other programme-related local bodies by strongly suggesting that women form at least 50 percent of these committees, including half of the executive-level members. The option of forming separate committees is encouraged where joint committees are not socially acceptable. In 2006, 375,000 women were in leadership positions on food management committees. The new gender policy is being developed now, which will be addressing age diversity – looking at needs related to different age groups using the life cycle approach – in order to better promote gender equality. Thus WFP can better address the needs of women of all age groups, be they single, married or widowed, including those who head a household.
67. *Programmes that boost gender equality.* WFP's comparative advantage of having access to the most vulnerable populations also includes access to school children through school feeding programmes. These provide a unique

opportunity for WFP in collaboration with the relevant partners, to promote gender equality from an early age as well as raising awareness on issues such as nutrition and health, including reproductive health, and on the prevention of gender based violence.

68. WFP's school feeding programmes have greatly enhanced girls' access to education through measures that encourage parents to send their female children to school. These measures include extra take home rations for girls in assisted primary schools with at least a 15 percent gender gap. Other examples of WFP programmes that help enhance gender equality include food-for-training (FFT) activities that aim to build women's human assets and enhance their skills in order to empower them. All in all, it is widely recognized that WFP's record with regards to gender equality is far ahead of many other international agencies.
69. *Role of other partners and actors.* WFP works at programme, institutional and inter-agency levels to mainstream gender in all its projects and programmes. WFP strives towards the goal of gender equality and women's empowerment together with its partners in host and donor governments, United Nations agencies, the Bretton Woods Institutions, NGOs and beneficiary communities. Gender is a cross-cutting issue that affects the entire project cycle; therefore collaboration with units and divisions within the organization is also crucial. Effective and well coordinated collaboration is key to work towards achieving gender equality in the framework of food security. WFP relies on a wide network of partners to carry-out food-based interventions in all its areas of work. Partnerships are tailored to the needs of the community receiving food assistance, the strength and capacity of the partners and the resources available. The objective is to address food insecurity in a successful way through complementing each other's resources, experiences and expertise.
70. WFP plays a major role in inter-agency collaboration on mainstreaming gender in humanitarian assistance, especially under the framework of the Inter-Agency Standing Committee (IASC) Sub-Working Group on Gender and Humanitarian Assistance. WFP has participated in the development of the gender-sensitive capacities and vulnerability analysis (CVA) training module designed to ensure that all stages of the Consolidated Appeal Process (CAP) and subsequent planning are well informed on gender issues. More recently, WFP actively contributed to the development of the IASC Guidelines on Gender-Based Violence and a Handbook on gender mainstreaming in humanitarian settings. For emergency programmes, WFP and FAO have jointly developed guidelines for Socio-Economic and Gender Analysis (SEAGA). To support implementation of these guidelines, the WFP/FAO Passport to Mainstreaming a Gender Perspective in Emergency Programmes was also developed. It contains key questions for use in designing gender-sensitive humanitarian assistance interventions. This material has been field tested and used in various assessments of emergency operations.

71. *Strengths and weaknesses.* WFP is generally considered to be a strong advocate of women. The mainstreaming of gender in all its programmes – despite all the related difficulties – must be considered a key strength. WFP has understood women’s important socio-economic role in helping obtain food security at the micro level, and its programmes reflect this knowledge.
72. WFP can, however, further push its comparative advantage in this area. It has been argued that WFP should look at ways to improve women’s status in a more sustainable way, perhaps by addressing women’s broader role in society. While it remains to be seen whether it is WFP’s role to tackle that type of issues, a new WFP’s gender policy to be submitted to the Executive Board in 2008 will build on and consolidate the gains made so far as well as focus on laying out an enabling environment for the promotion of women’s empowerment and gender equality.
73. *WFP’s internal efforts for gender equality.* WFP has made considerable progress towards a gender balance in staffing, but progress has been less impressive between 2002 (39.2 percent) and 2006 (39.5 percent). WFP therefore still has significant work to do with respect to hiring and retaining more women within the organization – especially at senior levels. WFP’s Human Resource Division promotes gender balance in recruitment and promotion. Furthermore, it is now developing a strategy for reaching the United Nations target of gender balance in human resources within a specified period.

#### **G. Significant Advocacy Impact and Awareness Raising Potential**

74. WFP is well-positioned to spot arising problems early on and help mobilize international responses which can prevent a crisis or at least mitigate its impact.
75. Due to the trusted relationships which link WFP to governments and NGOs alike, WFP has a unique ability to promote an integrated policy approach to hunger reduction within national frameworks. The strength of some of its programmes and the ability to transfer lessons learnt from one country or programme to another further enhances this ability.
76. *Spotting problems early.* A number of factors enable WFP to often be among the first to become aware of a deteriorating food security situation: WFP’s extensive country presence often also covers the more remote areas and is augmented by its close relationships with NGOs and local government counterparts. WFP’s significant investment in VAM activities and increasingly in early warning systems is another key factor. Finally, WFP’s long history in many countries gives it the ability to compare data with those of prior years, thus enabling it to not mistake early warning signs of a crisis for mere variations around the long run average.

77. *Mobilizing international responses.* National governments in both developed and developing countries tend to trust WFP as they do other United Nations agencies, thanks to its strong legitimacy. WFP is not perceived to pursue the interests of one specific member state. WFP greatly benefits from this trust when it needs to mobilize an international response to an impending disaster or crisis in close coordination with the authorities in the country affected. Given that WFP holds critical emergency logistics expertise and capacity, it is often the first actor on the ground and thus well-positioned to assess needs and mobilize an adequate response together with its partners.
78. *Role of other partners and actors.* WFP knows that it cannot alone raise awareness and advocate for adequate responses. It understands that it needs to intelligently divide the labour in this area with others so as to achieve maximum impact. National governments need to be the first ones to advocate on behalf of their own populations. Other United Nations agencies with a different mandate and therefore a slightly different, but similarly valid, perspective are critical partners. UNICEF, for example, has over the years developed a very skilled approach to raising awareness for the plight of children and to advocating on their behalf. The World Bank, due to its financial might and long and deep experience will provide credibility when it supports joint advocacy efforts with its particular perspective. NGOs, both national and international, are often crucial contributors as they are at times perceived to be the closest and least biased speakers on behalf of affected populations. Collaboration with the other Rome-agencies can provide additional strength to global advocacy on specific food and agriculture issues. Finally, the private sector has recently become an important contributor as WFP's partnership with TNT has shown.
79. *Strengths and weaknesses.* WFP has made significant progress in advocacy matters over recent years. Its 'World Hunger Series' has quickly established itself as a leading publication in the area of hunger, addressing the topic every year from a slightly different angle. Liaison offices have been established in many countries. A private-sector fundraising unit has been established and several partnerships have been concluded and are operational, all of them with the shared goal of improving the lot of WFP beneficiaries. Walk-the-World has become a global advocacy event which has given WFP a highly conducive stage to raise awareness about hunger.
80. However, WFP's engagement in advocacy and policy dialogue is often hampered by a generally low level of investment in non food operations-related activities. This is partly due to WFP's funding structure, which was not conceived with non-food-related activities in mind and thus still ties budgets to commodity tonnage. The evaluation of WFP's Enabling Development Policy pointed out that the traditional model of financing, which allocates direct support costs (direct support costs [DSC] and other direct operational costs [ODOC] on the basis of the amount of food delivered, leaves



WFP with too little resources to carry out advocacy work systematically. As a result, many country offices (COs) concentrate on managing WFP's direct operations. An additional weakness related to policy dialogue is, at times, limited communication, policy analysis and policy advocacy skills at CO level.

#### **H. Integrated Network of United Nations Funds, Programmes and Agencies**

81. WFP's status as a United Nations programme is an important part of its comparative advantage, as this enables WFP to be integrated into the United Nations country team at field level and into the broader United Nations family at international level. Particularly important is the privileged access of WFP to other United Nations funds, programmes and agencies and especially to their complementary efforts and contributions, especially at country level. The trust and goodwill that WFP generates through its dealings with governments at country level also facilitates its efforts and its mission.
82. *Part of a United Nations team approach.* WFP benefits in many ways from being part of the United Nations system. As a United Nations agency, WFP has strong legitimacy with national governments, communities and beneficiaries and is usually perceived as an impartial actor in the humanitarian arena. This wide acceptance of WFP also enables it to raise funds from United Nations member states and other donors to carry out its mandate. Particularly important is the fact that WFP's membership in the United Nations family enables it to maximize the impact of its food assistance interventions thanks to the complementary contributions of other United Nations agencies, both in emergency and in development settings.
83. WFP can greatly benefit from an enhancement of the coherence and efficacy of the United Nations humanitarian and development interventions. In the development area, WFP is a member of the Executive Committee of the United Nations Development Group, together with UNDP, UNICEF and United Nations Population Fund (UNFPA). In the humanitarian area, WFP is a member of the Executive Committee on Humanitarian Affairs led by the United Nations Emergency Relief Coordinator, together with UNICEF, UNHCR, WHO, UNDP and others. It is also a prominent member of the Interagency Standing Committee (IASC), which includes the major NGOs and Red Cross humanitarian actors, as well as United Nations agencies.
84. *Credibility and trust with governments and local authorities.* As a representative of the United Nations, WFP is rarely thought to have hidden agendas that may go beyond its official mandate. Its approach to solve problems by consensus and its commitment to work within the framework of priorities set by national governments gives WFP significant levels of trust with its government counterparts at all levels (national, regional/provincial, local).

85. *Role of other partners and actors.* The United Nations cluster system is designed to try to make the best possible use of each United Nations agency's comparative advantage. WFP has been assigned the lead role for the areas of logistics and the co-lead role in emergency ICT and actively participates in other clusters such as the one on nutrition. The cluster system also acknowledges WFP as the global lead in the food sector. The cluster system has been seen as a step toward institutionalizing a more predictable and accountable humanitarian response and reducing gaps in sectoral coverage in emergencies.
86. National governments and NGOs are very important contributors to United Nations reform. In the past and until the present it has often been them to point out inconsistencies, duplications or gaps which often occurred due to the fact that the United Nations was not really united in its approach. It is hoped that both NGOs and national governments will provide key contributions in the process of United Nations reform and give frequent feedback on how changes are affecting their ability to get things done.
87. *Strengths and weaknesses.* United Nations reform is work-in-progress. Both the development and humanitarian reform agendas are pushing for a clearer, more systematic division of labour among agencies, with defined leadership and coordination roles at the sector level. These reform efforts are also exploring innovative approaches to "pooled" funding arrangements at both the global and country levels, as well as greater interagency harmonization of business practices (human resources, finance, logistics, telecommunications and procurement among others). WFP has been and will be very much at the forefront of this process, ensuring as best it can that it is successful in achieving results on the ground that are responsive to national and community needs. A successful United Nations reform that focuses on practical results over coordination processes should enable WFP to better serve its beneficiaries.

## **I. Lean and Programme Driven Cost Structure**

88. *Low overhead costs.* WFP's funding structure is based on voluntary funding and stringent constraints on overhead costs. WFP does not have an assessed budget to run its headquarters and finance its Country Offices as some other United Nations agencies do. Instead of an assessed budget, WFP levies a 7 percent Indirect Support Cost Rate (ISC) on any incoming government donation, currently be it commodities or cash, to finance those activities.
89. *Strong accountability and transparency.* WFP prides itself to be at the forefront of accountability and transparency. In fact, both have been one out of nine (seven since 2006) management priorities. WFP has invested significant time, money and effort to ensure it is transparent in its operations and accountable toward national governments, other partners, beneficiaries and its own staff. WFP has many ways of ensuring it achieves this objective: both internal and external audits at the Headquarters, Regional Bureau and country office level provide

critically important feedback on how WFP is doing and show ways to make the organization more efficient and effective. Internal evaluations carried out by WFP's Evaluation Unit analyse strengths and weaknesses and provide recommendations of how to improve further. They are presented and discussed by the board. WFP management responds to the main recommendations to ensure action is taken to implement some of the lessons learnt. In 2005, a WFP ombudsman function was created to ensure staff had a place to go to address concerns they have, which sometimes can be and have been around the quality of our programmes or internal processes. With the new Management Plan (2008–2009), a WFP ethics officer will be instituted who will ensure the organization follows the highest ethical standards in all contexts. This new position will be filled by a senior director and will report directly to the Executive Director. WFP was also one of the first agencies to take up risk management as a core management function, which has been mainstreamed. Finally, it was the first United Nations agency to implement International Public Sector Accounting Standards (IPSAS).

90. *Numerous economies of scale.* WFP's sheer size enables it to operate more efficiently than smaller organizations could do in the same environment. Economies of scale make WFP efficient in many different areas. Suffice it to give a few examples. WFP tends to orchestrate the landside transport of significant volumes of commodities. As it uses tenders to allocate contracts, the related bidding process ensures the transport is carried out at a competitive price while supporting local transport companies. WFP's procurement of food and non-food items similarly works by tender. WFP's ability to develop strong VAM capacities in countries in which it is present is another such example. The investment for a small actor to set up the infrastructure and purchase the necessary equipment as well as deploy a sufficient number of staff throughout the entire territory would be prohibitive. WFP, however, has been able to make the required investments and has, thus, become an important partner to national governments in this area.
91. *Role of other partners and actors.* Several initiatives and developments in the United Nations system require United Nations agencies to better control and optimize their cost structure. Partnerships within and outside the United Nations system are key for WFP to achieve this. For example, the United Nations cluster system, in which WFP plays a prominent role, is an effective way to share resources and thus take advantage from economies of scale. WFP can also work more closely with its partners, including NGOs, to share best practices and develop common guidelines regarding budget management and organizational structure. WFP will also continue to commit itself vis-à-vis its donors and beneficiaries to the highest standards of transparency, accountability and efficiency.
92. *Strengths and weaknesses.* WFP's ability to achieve its goals in an efficient manner through achieving the mentioned economies of scale and despite the

very limited funding for overhead activities through the ISC rate must undoubtedly be considered a key strength.

93. While WFP's traditional funding mechanisms served the organization well when it was a food aid agency in a food surplus era, they seem less adequate to enable WFP to adapt to the challenges of the upcoming Strategic Planning period. Tying cash resources to the tonnage of food distributed can pose an obstacle in situations where food aid is increasingly being replaced by interventions in which food represents an important component, but is complemented by others. Basing cash resources on the amount of commodities WFP delivers, also hinders WFP's capacity-strengthening activities, which pave the way for successful hand-overs. Capacity-strengthening interventions are often by definition longer term and may require a certain country presence beyond the duration of the core intervention.
94. The organization can usually not predict ahead of time how many donations will come in, as donor countries tend to fund specific board-approved operations. This setup exposes WFP to significant funding uncertainty, but ensures WFP is always very closely aligned with member states' priorities. Untied and thus flexible funding is a small percentage of WFP's overall revenues, which somewhat reduces WFP's flexibility to respond in certain cases.

### **III. OTHER AREAS OF IMPORTANCE**

95. WFP's interventions cannot be seen in isolation, but are part of a broader response. The components of this response will generate maximum impact only if they complement each other. WFP, therefore, depends critically on the complementarity of some of its partners' interventions to its own. As an example, the benefits of food aid may remain very limited in the absence of water and/or proper sanitary conditions.
96. Thus, WFP needs to work closely with partners to design comprehensive responses to beneficiary needs, which will usually include a whole range of activities. In some of these activities, WFP will have a clear comparative advantage, in others different actors will be better-positioned to intervene.
97. This section explores some of the components of the fight against hunger in which WFP has a contribution to make, while other actors need to take the lead of a coordinated response.

#### **A. Technical Assistance, Policy Advice and Capacity-Strengthening to Countries**

98. *WFP's Activities.* Major obstacles to the eradication of hunger are both the inadequate integration of hunger issues into national poverty reduction strategies as well as a lack of capacity to take the necessary steps to carry out those strategies. WFP has an important contribution to make in both areas.

99. On the one hand, WFP needs to invest more time and resources in building on its own experience of how to combat hunger and advocate with governments to give the fight against hunger more prominence in their national policies. WFP needs to ensure national governments do not just consider hunger a by-product of poverty and thus assume hunger will disappear if and when poverty is addressed. Hunger should rather be considered as one of the causes of poverty, and, therefore, eradicating hunger becomes a prerequisite of fighting poverty.
100. On the other hand, WFP needs to ensure it designs its projects from the start as parts of broader programmes starting with the overall needs, even though addressing some of those needs may not be within WFP's comparative advantage. Programmes need to be designed from the outset for a smooth hand-over; the hand-over cannot be an after-thought. Partners need to be brought on board from the very beginning of this process. WFP needs to assess at the outset which partner should take on the leadership once WFP disengages. It then needs to analyse the strengths and weaknesses of that partner as well as its gaps in terms of technical expertise and capacity which may prevent the partner from successfully taking over. Finally, as a result of that analysis, WFP needs to include a fully budgeted and funded work stream in the programme which is focussed on addressing those gaps through focussed knowledge transfer and capacity-strengthening.
101. For WFP to perform both tasks, it will need to take a fresh look at its funding mechanisms and possibly also at what skills some of its staff may be lacking to carry them out successfully.
102. *Role of other partners and actors.* Just like developing and implementing solutions to chronic or acute hunger are a team effort among many actors, so are the capacity-strengthening and advocacy work. There is a long list of United Nations agencies, national and international NGOs, who have an important contribution to make in this area. For capacity-strengthening work, national governments are the main beneficiaries, and it is therefore crucial WFP and others work closely together with them to understand what the needs are and how they can best be addressed.
103. It would be impossible to mention all other actors in this area, therefore this paper limits itself to giving a few examples. The World Bank undoubtedly plays a lead role in capacity-strengthening and advocacy with regards to the broad field of development issues. UNDP has a clear comparative advantage for helping governments strengthen governance. FAO work includes capacity-strengthening to governments in areas of crucial importance for ensuring food security such as agriculture, fisheries and forestry.
104. *Strengths and weaknesses.* WFP has recently started to put increasing emphasis on both capacity-strengthening and engagement in the policy dialogue. The Strategic Plan (2004–2007) was the first to introduce capacity-strengthening as a

stand-alone strategic priority (Strategic Priority 5 – “Help governments establish and manage national food assistance programmes”). The Strategic Plan (2006–2009) slightly changed the wording, but kept the emphasis on working with our main partners to strengthen capacity. In October 2004, WFP adopted the policy framework for capacity-building assistance. Since then, capacity-strengthening has become a component of most WFP operations. A review of all approved project documents on the WFP website, carried out recently by an internal evaluation team, has surfaced that 113 out of 150 operations (excluding those with a budget of less than US\$1 million and those starting in 2008) included capacity-building objectives and activities

105. Many evaluations, among them the Evaluation on WFP’s Enabling Development Policy, have, however, pointed out WFP weaknesses in both policy advice and capacity-strengthening and have attributed them, among other factors, to resource shortages. The current funding mechanisms which tie funding to tonnage of food programmed can make it difficult to fund non-food-related activities that add value. Given this funding structure, it is not surprising that WFP often focuses on the tonnage that needs to be delivered as opposed to taking a more holistic look at what needs to get done. The draft inception report of an evaluation on WFP’s capacity-building policy and operations has found early signs of some additional weaknesses: the organization has for example not yet been able to define a good set of indicators at the outcome level to measure impact in the area.
106. It takes a different set of skills to engage in advocacy and to work with counterparts to strengthen capacity. While WFP’s staff is undoubtedly strong when it comes to doing things fast, efficiently and effectively, fewer staff have the policy experience needed to engage in country level policy dialogues, some of them may require additional training.

## **B. Non-Food-Related Hunger Tools and Issues**

107. *WFP activities.* Food aid, as it is traditionally defined is not always sufficient to respond to hunger-related problems as they arise – or even the best answer at all. Other tools and mechanisms may provide an adequate, timely and cost effective response that can complement or even, in some cases, replace food delivery. Thus an optimal food assistance toolbox – be it that of WFP or of another player – must include these components.
108. WFP has been piloting some projects in two of those emerging areas related to food assistance: cash transfers and vouchers on the one hand, and disaster insurance on the other. WFP has been working with the World Bank on an insurance scheme in Ethiopia, in effect transferring to international capital markets the high cost of responding to a crop crisis. At the same time, WFP has set up pilot “cash projects” in six countries to better understand what constitutes the right mix of food and cash responses in different contexts.

109. WFP wishes to continue on experimenting in those and related areas, whenever its food assistance expertise can bring something to the table. WFP will not duplicate the efforts of other partners and actors whose comparative advantage gives them a natural leadership role in those areas.
110. *Role of other partners and actors.* Other actors have a longer and deeper experience than WFP's in the areas of insurance and cash transfers – for example the World Bank or IFAD. Those institutions have a clear lead in research and development thanks to specialized staff and dedicated financial resources. WFP can assist in the design phase for those projects that use an innovative mechanism to address specifically hunger, but also in their implementation phase, thanks to its knowledge of the needs and livelihoods of the hungry poor.
111. *Strengths and weaknesses.* WFP's thinking in those areas is gaining momentum but remains limited. WFP's strength, however, is its deep expertise in hunger-related issues which, when they are associated with technical expertise in innovative mechanisms, can provide optimal responses to crises.

### **C. Norms and Standards Related to Hunger**

112. *WFP's activities.* As an operational agency with a large footprint that overlaps the fields of food and nutrition, WFP is one of the major 'clients' of the normative work done by United Nations technical agencies such as WHO, FAO and UNICEF. However, WFP's role is much greater than solely that of a recipient of such work. In recent years with its expanding technical capacity, WFP has been able to work directly with all the main agencies to help drive the normative agenda on topics such as minimum standards for micronutrients in emergencies, the use of ready-to-use foods for severe acute malnutrition, nutrition and HIV/AIDS and infant feeding. WFP's active engagement with partners on such issues is vital to ensure that its programmes are effective and based on the latest scientific thinking. Conversely, WFP's inputs are vital to other agencies to ensure that their agendas reflect the needs of the programmes on the ground.
113. WFP largely relies on normative agencies in the United Nations to set norms and standards related to the food commodities that it uses. FAO's Codex Alimentarius sets minimum standards for commodities that WFP uses, such as blended food. Work by WHO and FAO on the nutritional needs of populations, including people with HIV/AIDS, is also critical in determining the rations that WFP distributes. In some cases, however, the technical needs of WFP are so specific that it must fill those needs by convening its own expertise. For example, WFP gets approached on a daily basis by private sector companies and others offering new commodities. In order to be able to assess whether those commodities are safe for its beneficiaries and make sense given the realities of its work, WFP regularly convenes technical assistance groups formed of experts in the fields of nutrition and food safety.

114. *The role of other partners and actors.* In addition to what has been said above, the setting of minimum standards in emergencies and tracking of humanitarian outcomes are also important issues that require active engagement of WFP with both United Nations partners and NGOs. With increasing interest in developing systems to ensure that minimum standards are met both in terms of operational indicators and outcomes on the ground, it is critical that WFP be an active participant in global fora such as the nutrition cluster and the Humanitarian Tracking Service led by WHO.
115. *Strengths and weaknesses.* Generally, other agencies such as WHO, FAO and UNICEF have a comparative advantage in the field of setting norms and standards related to food and nutrition. WFP's main strength in this field comes from its grounding in the day-to-day realities that it deals with in implementing programmes, and its interest in ensuring that those programmes are as effective as possible. With increasing frequency, WFP uses this strength to encourage normative agencies and inter-agency bodies to convene technical consultations on issues where it has come to realize that existing guidance is inadequate.
116. The demands associated with providing technical support to country offices on a day-to-day basis together with increasing demands for WFP's participation in global fora such as the ones mentioned above, do at times stretch WFP's limited capacity in this area. To continue to ensure that appropriate norms and standards exist for the work that WFP and its partners do, it is essential that WFP has the technical capacity and appropriate levels of technical staff to be able to engage with technical agencies at a global level.

#### **D. Food Security and Agricultural Production and Markets**

117. *WFP Activities.* Many of WFP's activities in rural areas touch importantly on agricultural development. These interventions help vulnerable households and communities shift to more sustainable rural livelihoods, improve agricultural productivity and prevent further degradation of the natural resource base. Examples include: (1) water conservation and management to reduce seasonal droughts and erosion caused by excessive runoff. Such investments – which include interventions in water harvesting and storage and irrigation systems – are critical to increasing production on marginal lands, particularly in drought-prone areas; and (2) land rehabilitation and management to transform marginal, eroded-lands into a sustainable, livelihood-enhancing resource base – which include interventions such as terracing and reforestation with appropriate tree species.
118. These production-related activities loom large in WFP's portfolio, especially in the PRRO programme category. However, while WFP can and is well-positioned to make an important contribution to agricultural productivity through its programmes, it needs to rely on others to address the topic in a more comprehensive manner. WFP's principle areas of influence and value



addition in agricultural sectors are in market development and demand enhancement, especially through local and regional food procurement.

119. *The role of other partners and actors.* FAO has the specific mandate in the United Nations system related to agricultural production and productivity enhancement. WFP therefore works closely with FAO in design and implementation of production-related interventions. Government agencies, NGOs and private traders are also important actors in agriculture-dominated rural areas. These actors provide a range of good and services to farming communities.
120. *Strengths and weaknesses.* WFP's key strengths in this field relate to its role as a major player in food markets. WFP's purchasing footprint around the world can help create a platform of substantial and stable demand for the food staples grown by poor farmers, and thereby reduce risks and improve incentives they face when investing in productivity-enhancing technologies and practices.
121. WFP does not in general have the capacity to design and implement interventions targeting increased productivity. It should therefore work in close partnership with organizations with such capacities.

#### **E. Health and Sanitation Issues Related to Hunger**

122. *WFP's activities.* To maximize the ability of WFP's programmes to address hunger, save lives and reduce malnutrition, it is important that food be complemented by other inputs such as clean water, health services and construction of adequate sanitation facilities. WFP's role in directly providing such inputs is related to providing logistical support when requested by partners. However, in order to understand where food support has a role to play, it is critical that WFP also examine indicators related to health, water and sanitation as part of its assessment process. Increasingly, WFP engages in joint assessments with partners such as UNICEF, which allows constructive dialogues about humanitarian needs beyond the food that WFP provides. As co-chair of the assessment working group of the IASC nutrition cluster, WFP supported the idea of developing joint assessment tools with the health and water, sanitation and hygiene (WASH) clusters to facilitate broader dialogue on humanitarian needs in emergencies.
123. *The role of other partners and actors.* Partners such as national governments, NGOs and United Nations agencies, such as UNICEF and WHO, play an essential role in delivering water, sanitation and health services. Assessments in emergency settings, such as Darfur, have shown that a dramatic impact on malnutrition and mortality rates can be achieved in areas where a complete package is delivered, including food, water, sanitation and health inputs. That said, one of the greatest challenges WFP faces is to convince other partners to target their activities in the areas where WFP works. Unfortunately, it is often the case that the areas where hunger is the most problematic are the same areas

where infrastructure to deliver other services is the weakest. It is also the case that food is often the best-funded component of humanitarian appeals. WFP often finds itself in the position of having to advocate for funding of other agency responses in order to ensure that inputs that complement the food it delivers are put into place. It is hoped that implementation of the cluster system will help to ensure that such gaps are filled in the future.

124. *Strengths and weaknesses.* Food is increasingly seen by those in the health sector as a critical input, particularly in the treatment of HIV and of child acute malnutrition. WFP's comparative advantage in delivering food alongside health sector programmes is already well acknowledged. WFP has normally no comparative advantage in the delivery of water and sanitation or health services. Its strengths in assessment can often be used to fill information gaps needed to spur action by other agencies. While food can still have an important impact in areas where other services are weak, its impacts are greatest where it can be delivered alongside water, sanitation and health services. Joint assessment and planning with partners are critical to WFP's ability to maximize effectiveness. The Darfur example has shown how agencies can successfully complement each other by starting the process with joint assessments which then result in not necessarily a joint programme, but agreement on humanitarian needs based on a common set of data. It is hoped that United Nations reform will provide WFP with more tools to overcome obstacles to such joint endeavours.

#### **F. Education for All (MDG2, MDG3 Target 4, EFA goals)**

125. *WFP Activities.* Education, particularly for girls and women, is an important condition for the fight against hunger and equips individuals with the knowledge and skills to prevent and mitigate the effects of hunger. WFP contributes to Education for All (EFA) through school feeding, nutrition and health programmes, which address the negative effects of hunger on education. School feeding programmes increase access to education, improve daily attendance and reduce drop-out rates, particularly for girls. They also help to improve learning outcomes by improving cognition and participation of students in the classroom. The improvements in the learning capacity due to school feeding increases in a substantial manner the economic returns of other massive investments done by governments and the international community in quantity and quality primary education. School feeding is a multi-dimensional intervention that can comprise provision of micronutrient rich meals at school, distribution of take-home food rations as in-kind transfers to families and a range of complementary school nutrition and health interventions, depending on local context and needs. School feeding is particularly effective in promoting education for disadvantaged and vulnerable groups, including girls, and can support education in emergencies which are priorities for the EFA movement.

126. In many fragile-state and post-conflict situations, there is an urgent need to focus on demobilization and reintegration. In particular, former child soldiers need tailored training programmes to re-establish their links to communities as well as their skills and livelihoods.
127. *Role of other partners and actors.* The EFA initiative involves a broad range of stakeholders, notably national governments, United Nations agencies, civil society organizations, foundations and academic institutions. UNESCO is the lead agency for the EFA movement with responsibility for international coordination and monitoring of progress. It is supported in this role by the four other original convenors of EFA (World Bank, UNICEF, UNDP and UNFPA). UNESCO also works on capacity-building and policy development for EFA. UNICEF has particular strengths in implementation of education programmes in the field, particularly in fragile states, is lead agency of the IASC education cluster (the co-leader is Save the Children Alliance) and lead agency for the United Nations Girls Education Initiative (in which WFP also participates). The World Bank houses the Secretariat for the EFA Fast-Track Initiative, the main, multi-partner funding mechanism for Millennium Development Goal MDG2 in low-income countries. NGOs play a strong role in EFA, to defend civil-society interests in global and regional EFA policy-making and support programmes in the field.
128. The heart of EFA activity lies at country level. The EFA movement emphasizes the principles of aid harmonization and effectiveness (Paris Declaration), with leadership of national governments for the preparation and implementation of comprehensive EFA policies, within the context of national poverty reduction strategies. Governments also cover the largest share of EFA funding overall.
129. *Strengths and weaknesses.* WFP's key strength in EFA lies in the implementation of school feeding programmes and its ability to target disadvantaged groups in remote and difficult areas where few other organizations are present. WFP is also well-positioned to act as international lead agency for school feeding, for knowledge creation, knowledge management, networking and advocacy regarding school feeding. Furthermore, WFP has a role to advocate for recognition on the effects of hunger on education and for the needs of the most disadvantaged in education, including children affected by emergencies.
130. WFP is less equipped for policy advice and capacity-building in education, although there is strong demand for national policy development and capacity-building in school feeding. Furthermore, WFP does not have expertise for wider education issues – curricula, teacher training, textbooks, etc. – or implementation of other types of education programmes. According to the "Thematic Review of Targeting in WFP Relief Operations", WFP's school feeding programmes sometimes attract too many students to the classes and this may lead to a deterioration in the quality of education. In such cases, WFP should strengthen its collaboration with national governments and other education-focused partners to ensure the sustainability of its interventions.

## G. Safety Nets for the Hungry Poor

131. *WFP Activities.* Social safety nets refer to national systems of policies and programmes that protect the poor and vulnerable people against shocks and promote their livelihoods and welfare. WFP is currently a major player in supporting a number of governments in the design and implementation of national safety-net systems, including for example Bangladesh, Ethiopia, Kenya and Malawi.
132. Based on cross-country experience, WFP's 2004 policy paper on safety nets identifies three major scenarios or models that capture the stage of development in safety-net systems: (i) countries undertaking the very first steps to move towards a system of safety nets (e.g. Afghanistan); (ii) countries where efforts are underway to implement new safety-net programmes (e.g. Ethiopia); and countries that need improvement in established safety-net systems (e.g. Ecuador).
133. In general, WFP's activities in support of safety nets include: 1) analysis of food security situations, including vulnerability analysis and mapping, needs assessments and analysis of food markets; 2) assessment of institutional and administrative capacities to deliver safety-net transfers effectively and efficiently at the national, regional and district levels; 3) provision, together with partners, of technical support on a number of issues, including selection of targeting criteria, identification of appropriate transfers (cash, food or combinations of both), design of monitoring and evaluation mechanisms, establishment of contingency plans, rolling-out capacity-building initiatives, planning of exit strategies and definition of funding modalities.
134. *Role of other partners and actors.* Major actors involved in safety nets include national governments, United Nations agencies, the World Bank, the African Development Bank (AFDB), the Asian Development Bank (ADB), the Inter-American Development Bank (IDB), developed countries governments, agencies and NGOs. All these actors contribute with specific support (e.g. United Nations with context analysis, World Bank with the provision of funding facilities, NGOs with implementation) to the development of national safety-net systems. In Ethiopia for example, WFP is a major partner of the multi-annual productive safety-net programme, which supports 8.3 million food-insecure Ethiopians with cash and food transfers. The Productive Safety-Net Programme (PSNP) is a multi-donor initiative financed by the World Bank, the Canadian International Development Agency (CIDA), the United States Agency for International Development (USAID), the United Kingdom's Department for International Development and others.
135. *Strengths and weaknesses.* As mentioned, WFP offers wide arrays of services on safety nets, including context analysis (e.g. emergency needs assessments), design of safety nets (e.g. providing targeting criteria), implementation (e.g. school feeding programmes, weather insurance) and evaluation. WFP's key

strengths in this field relate to its role in low-capacity contexts. When national capacities improve, WFP can still offer a number of technical services (e.g. VAM), although its overall comparative advantage may decrease.

136. WFP does not in general have the capacity to design and implement interventions such as microcredit and large-scale cash-based transfers.

## ACRONYMS USED IN THIS DOCUMENT

ADB	Asian Development Bank
AFDB	African Development Bank
CAP	Consolidated Appeals Process
CERF	Central Emergency Response Fund
CGIAR	Consultative Group on International Agricultural Research
CIDA	Canadian International Development Agency
CSB	corn-soya blend
CVA	capacities and vulnerability analysis
DFID	Department for International Development (United Kingdom)
DSC	direct support costs
EFA	Education for All
EMOPs	emergency operations
ENA	emergency needs assessments
FAO	Food and Agriculture Organization of the United Nations
FFT	food for training
IASC	Interagency Standing Committee
ICT	information and communications technology
IDB	Inter American Development Bank
IDP	internally displaced person
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IPSAS	International Public-Sector Accounting Standards
IRA	Immediate Response Account
ISC	indirect support costs
LACERN	Latin America Emergency Preparedness and Response Network
LRP	local and regional procurement
MCHN	mother-and-child health and nutrition
MDG	Millennium Development Goal
MERET	Managing Environmental Resources to Enable Transitions to More Sustainable Livelihoods

NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
ODOC	other direct operational costs
PLWHA	people living with HIV/AIDS
PRRO	protracted relief and recovery operation
PSNP	Productive Safety-Net Programme
SEAGA	Socio-Economic and Gender Analysis
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHAS	United Nations Humanitarian Air Service
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNJLC	United Nations Joint Logistic Centre
USAID	United States Agency for International Development
VAM	vulnerability analysis and mapping
WASH	water, sanitation and hygiene
WHO	World Health Organization
WRS	Warehouse Receipt Systems