



# Resource Management and Accountability Department

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## **Overview of Resource Management and Accountability Department**

- Strategic CFO and Fit for Purpose

- Objectives

- Achievements

- Organizational Structure

## **WFP's Operating Context**

- Unique and Challenging Context

- Overview of Governance and Accountability Framework

- Key Financial Principles

- Budget Approval

- WFP's 2013 Budget

# Resource Management and Accountability Department

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## Concept of 'Strategic CFO'

- Actively provide insight and advice on strategic issues
- Acts as a business partner with other Departments
- Focuses on strategic performance management and risk management organization-wide
- Oversees functions beyond the traditional finance areas
- Situated at centre of corporate decision making, maintaining dialogue with and challenging all functions in the organization
- Client-oriented service delivery

## Fit for Purpose: WFP's New Organizational Design

- Reaffirms the strategic role of the CFO
- Inclusion of Management Services
- Revamped Performance Management and Monitoring division to strengthen monitoring and evaluation

# Resource Management and Accountability Department Objectives

**“To improve lives through effective accountability and management of the resources entrusted to WFP”**

**1**

**Achieve more forward looking and predictable resource management**

**2**

**Drive efficiency & effectiveness across existing and new business models**

**3**

**Embed the culture of accountability**

# Achieve greater predictability in resource management

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## Major Achievements

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### Strategic allocation of multilateral funding

- Strategic Resource Allocation Committee builds donor trust through structured allocation process

### Financial framework revisions

- Greater flexibility and effectiveness in resource usage
- Improved transparency across activities

### Implementation of advance financing facilities

- Immediate Response Account
- Working Capital Financing facility
- Established Forward Purchase Facility

# Drive efficiency & effectiveness across existing and new business models

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## Major Achievements

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### Supported new business models

- Forward Purchase Facility
- Treasury Management System
- Cash and Vouchers Support
- Purchase for Progress Support

### Maximize use of existing resources

- Increased ceiling of Working Capital Financing facility
- Expansion of Forward Purchase Facility
- Enhanced efficiency of assets (e.g. light vehicle fleet, buildings, etc.)

# Embed the culture of accountability

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## Major Achievements

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### **Adopted International Public Sector Accounting Standards**

- Acknowledged leader on IPSAS across UN
- Strengthened internal financial reporting

### **Strengthened managerial control and accountability (SMCA)**

- Developed tools to support stronger internal control management
- Mainstreamed Statement on Internal Control/Letter of Representation process

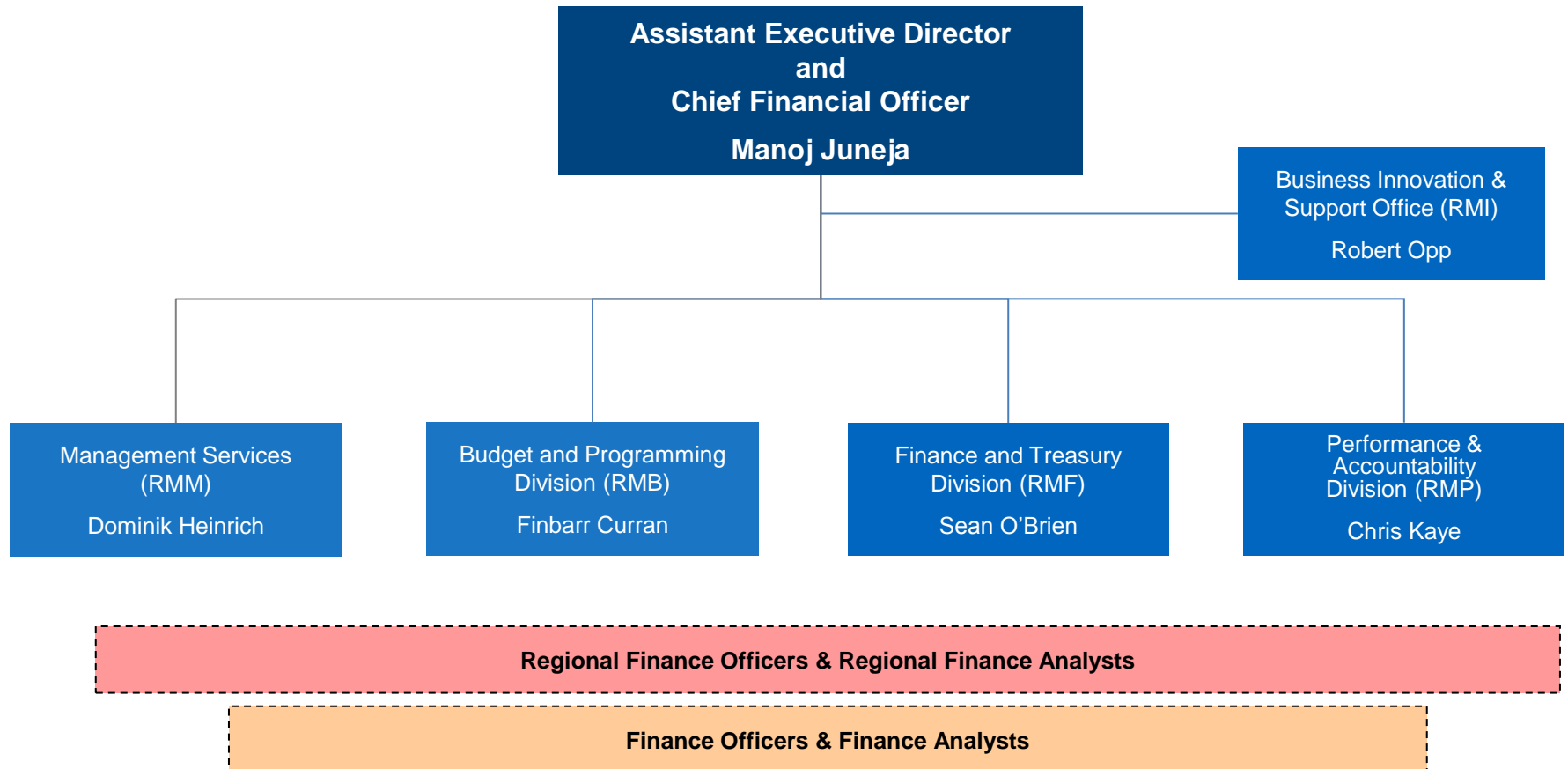
### **Embedding risk and performance management in WFP**

- Approved risk management policy requires all managers to undertake regular risk assessments and to maintain risk registers
- Corporate risk register
- Integrated annual performance and risk management system
- Improved corporate reporting on performance (APR)

### **Provide management with relevant information for decision making**

- Executive Management Dashboards to provide key organizational information

# RM Organizational Structure



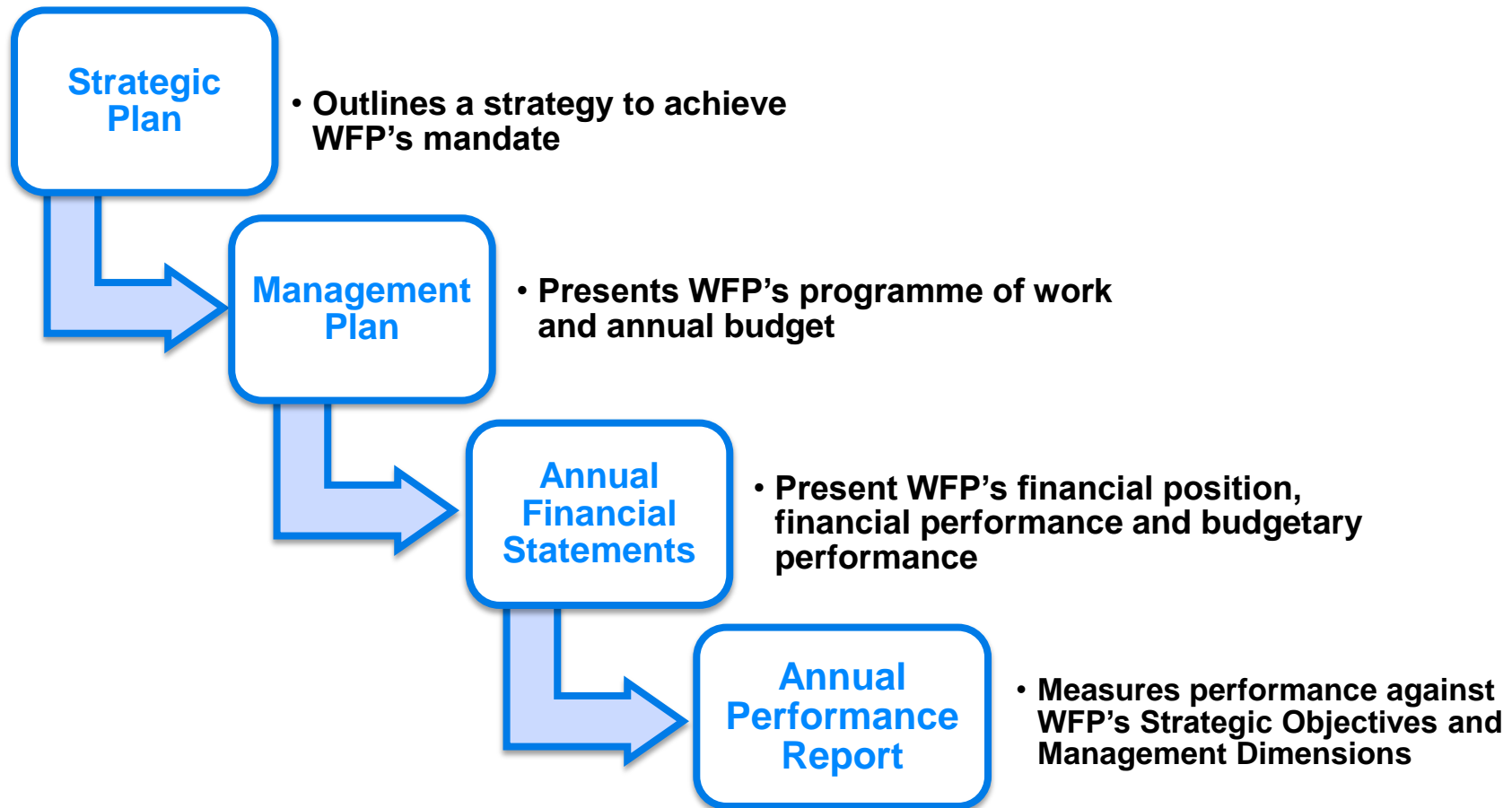


# WFP operates in unique & challenging context

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- **Operational uncertainty, difficult working environment**
- **100% Voluntary funding (Full Cost Recovery)**
- **Global uncertainty of markets (currencies and commodity prices)**
- **Project based funding model**
- **New intervention types (e.g., cash & vouchers)**
- **UN regulatory framework**

# WFP's Governance and Accountability Framework



# Key Financial Concepts

## 100% Voluntary Funded

- No assessed contributions
- All contribution to WFP on a voluntary basis

## Full Cost Recovery

- Applied to each donor's contribution allowing costs to be shared equitably among donors
- Enables WFP to recover all operational costs, direct support costs (DSC) and indirect support costs (ISC) related to implementing activities and delivering programmes

# Executive Board Approves the Budget in Two Ways

## Operational Requirements

- Programme plans are individually approved by the Board or the Executive Director under authority delegated by General Rule VI.2.

## Programme and Support Administrative (PSA) Budget

- Portion of the WFP budget that pertains to providing indirect support to WFP's activities and cover the majority of Headquarter and Regional Bureaux costs, as well as a core presence in each country office.
- Approved by the Executive Board on an annual basis as part of the three-year rolling Management Plan.

# WFP's 2013 Budget

## 2013 Budget Proposal

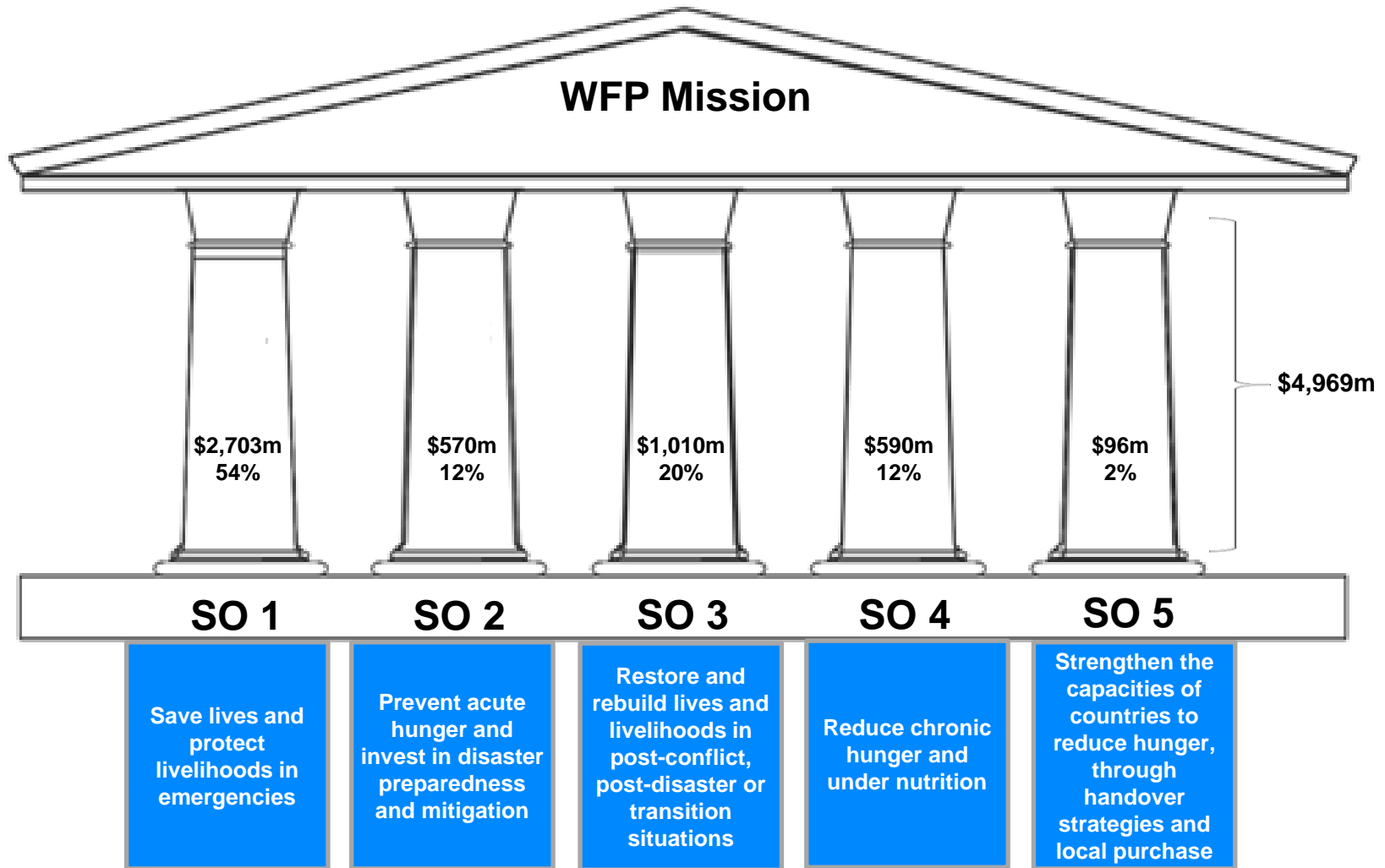
	US\$ million
Operational Requirements	4,969.0
Regular PSA	249.1
Supplementary PSA Investments	20.0
Security funding (from the General Fund)	10.0
Treasury Management System (from the General Fund)	0.4
Special Accounts and Trust Funds	412.9
<b>Total</b>	<b>5,661.4</b>

Approved by the Executive Board or under the Executive Director's delegated authority. Implementation is subject to funding.

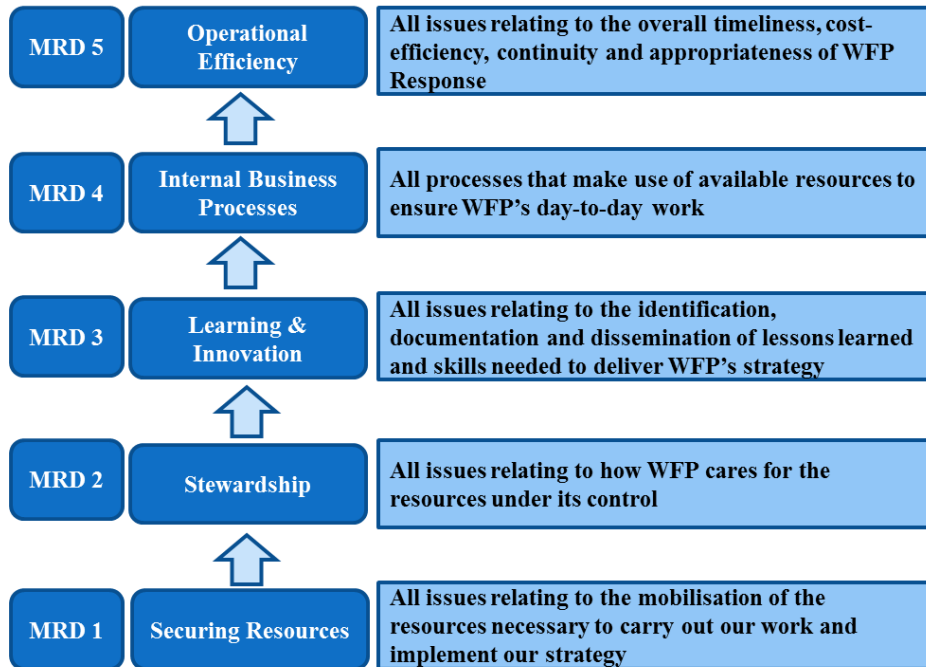
Approved by the Executive Board in the Management Plan.

Established by the Executive Director under Financial Regulation 5.1.

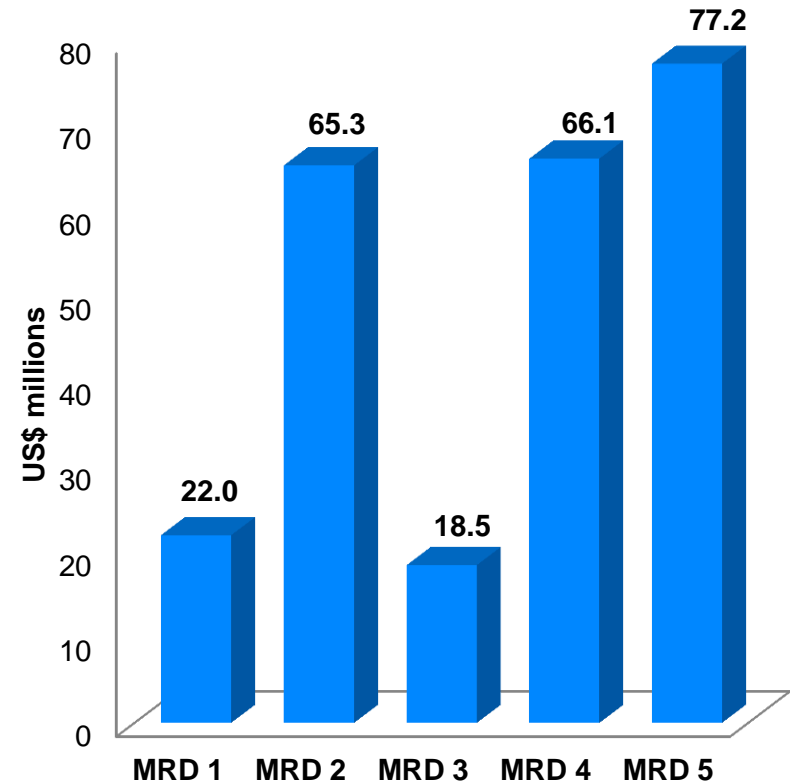
# 2013 Projected Operational Requirements by Strategic Objective



# 2013 PSA Budget by Management Results Dimension



2013 PSA Budget by MRD



# Purpose of Special Accounts and Trust Funds

- Enable WFP to provide non-profit business services through special accounts.
- Corporate trust funds invest in organizational capacity development priorities and pilot initiatives
- Country-specific trust funds enable Country Offices to engage in strategic partnerships to mobilize complementary resources

2013 Forecast Extra-budgetary Requirements and Resources	
	US\$ million
Corporate trust funds	161.6
Country-specific trust funds	71.7
<b>Total trust funds</b>	<b>233.3</b>
Special accounts	179.6
<b>Total</b>	<b>412.9</b>



# Executive Board Induction Session

# THANK YOU



Resource Management and Accountability  
Department