



**World Food
Programme**

Integrated Road Map

Progress update on the Integrated Road Map; Background to proposed amendments to the General Rules and Financial Regulations

Informal Consultation | 17 March 2017

Purpose of today's discussion

Following the approval of eight Country Strategic Plans at the 2017 First Regular Session, today's discussion will:

- **Provide an update on the roll-out of Wave 1A pilots and other key developments**
- **Share emerging lessons learned to date**
- **Outline the outstanding issues including amendments to WFP General Rules and Financial Regulations and delegations of authority**
- **Seek feedback on the issues raised during this session**

Update on implementation

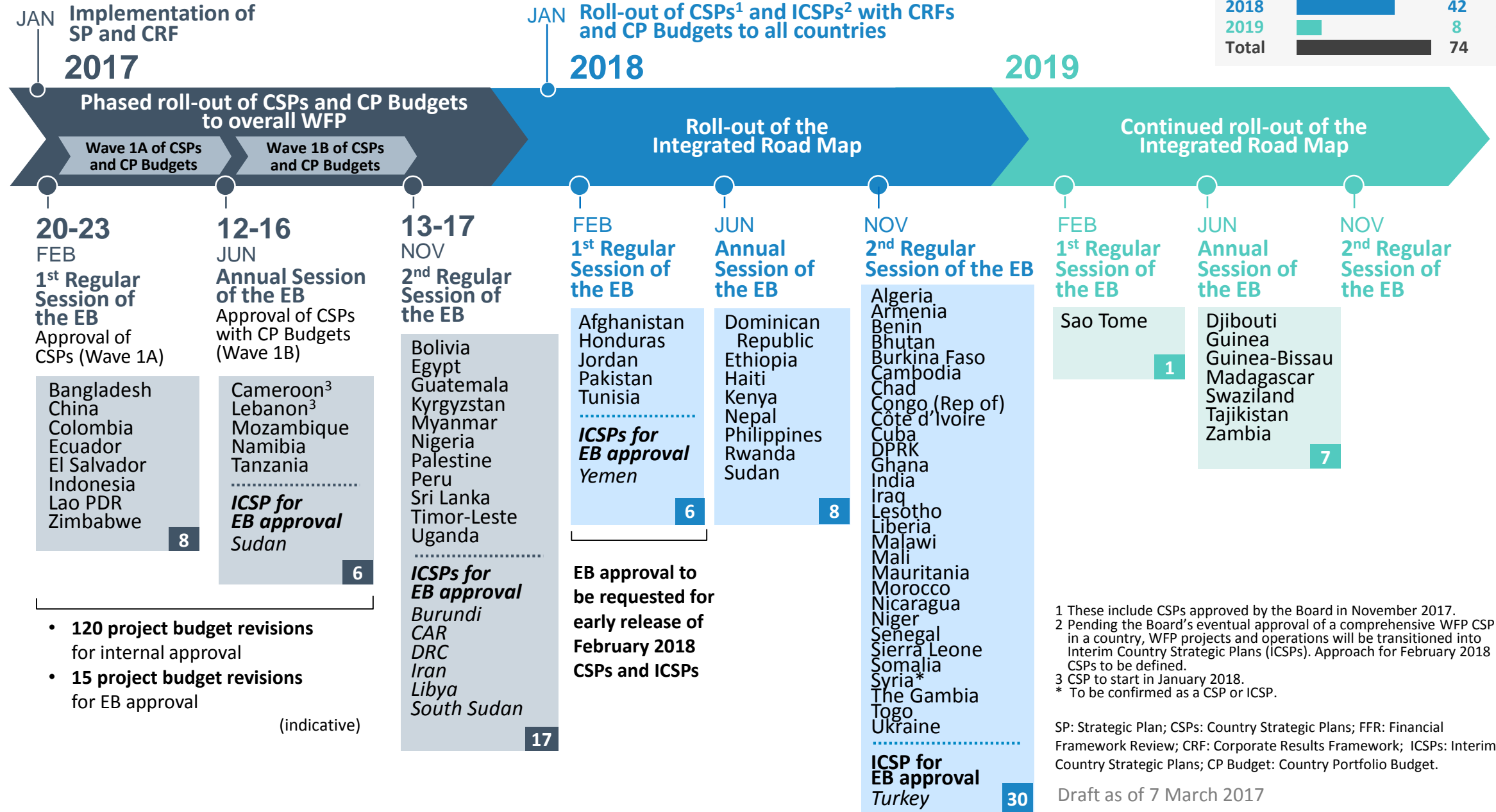
- At the 2017 First Regular Session, the Board approved eight CSPs – Bangladesh, China, Colombia, Ecuador, El Salvador, Indonesia, Lao PDR and Zimbabwe, collectively referred to as Wave 1A.
- Wave 1B – five CSPs (Cameroon, Lebanon, Mozambique, Namibia and Tanzania) and the ICSP for Sudan - will be considered at the 2017 Annual Session. An informal consultation will be held on 5 May to discuss Wave 1B CSPs/ICSP.
- Transitional ICSPs for the period January 2018 – June 2019 (approved by the Executive Director for a duration of up to 18 months) are under preparation. Approximately 45 country offices have submitted concept notes to align their current projects to the CSP and CP budget frameworks.

Integrated Road Map: Timeline for approval

DRAFT

CSPs and EB-approved ICSPs

Number of approvals by year		CSPs	ICSPs
2017		24	7
2018		42	2
2019		8	0
Total		74	9



1 These include CSPs approved by the Board in November 2017.
 2 Pending the Board's eventual approval of a comprehensive WFP CSP in a country, WFP projects and operations will be transitioned into Interim Country Strategic Plans (ICSPs). Approach for February 2018 CSPs to be defined.
 3 CSP to start in January 2018.
 * To be confirmed as a CSP or ICSP.

SP: Strategic Plan; CSPs: Country Strategic Plans; FFR: Financial Framework Review; CRF: Corporate Results Framework; ICSPs: Interim Country Strategic Plans; CP Budget: Country Portfolio Budget.

Draft as of 7 March 2017



Update on Wave 1A roll out

Cutover approach for Wave 1A countries

Ensuring a smooth transition from current projects to the new CSPs and CP Budgets in WINGS

- Transitioning to the CSPs/ICSPs will entail closing all existing projects and transferring outstanding balances to the new CP Budget structure in WINGS.
- To ensure a smooth transition, advance resource transfers from the closing projects to CSPs are currently taking place, ahead of the projects' end date (31 March 2017).

Wave 1A country offices will transition in two phases:

Phase 1: System set-up
17 – 28 February

Phase 2: Advance resource transfer
1 – 31 March

Key milestones:

- **23 February:** WINGS configuration and master data update **[complete]**
- **25 February:** Log frame complete in COMET **[complete]**
- **28 February:** Budget plan complete in WINGS **[complete]**

Key milestones:

- **31 March:** Advance resource transfer **[ongoing]**
- **2 April:** Go-live of CSP/CP Budget
- **30 April:** Operational closure of projects



Lessons learned to date

Capturing lessons learned from the pilots

The experience of preparing and implementing Wave 1A and Wave 1B CSPs/ICSPs provides a significant learning opportunity in key areas such as:

1. Annual Planning Process and Country Operations Management Plan (COMP)
2. Allocation of multilateral funding
3. System tagging using focus areas
4. CSP content
5. Strategic review process
6. Organizational readiness
7. Governance and delegations of authority
8. Improving internal management, templates, guidance and processes

Lessons learned and WFP's approach to developing solutions will be shared with the Board at the 2017 Annual and Second Regular Sessions as well as during informal consultations and bilateral discussions.

Lessons learned to date *(March 2017)*

1. Annual Planning Process and Country Operations Management Plan (COMP)

- Wave 1A country offices conveyed the COMP process needs to be simplified and information collected should support country office decision-making.
- COMP guidance material is being updated for Wave 1B to improve the quality of information provided and ensure a high-level of consistency, particularly for resource prioritization and justification for modalities.

2. Allocation of multilateral funding

- The Strategic Resource Allocation Committee is updating its decision-making criteria to consider needs, strategic outcomes, focus areas and performance.

3. Outcome tagging using focus areas

- CSPs and ICSPs submissions are providing a better understanding of how the formulation of Strategic Outcomes and links to focus areas can be strengthened to promote greater visibility for resource mobilization and funding decisions.
- Wave 1A and 1B CSPs/ICSPs allows WFP to gain experience in applying focus area tags to Strategic Outcomes.
- Guidance is being updated to this effect.

4. CSP content

- Guidance and internal reviews are ensuring more robust CSP content especially to integrate elements of the strategic review, partnerships, contributions to other SDGs, monitoring and evaluation and transition/exit strategies.
- Full and inclusive participation of stakeholders is encouraged in the development of the CSPs.

5. Strategic Review process

- Without compromising national ownership of the Strategic Review process, encouraging early engagement and inclusive participation of key stakeholders.

6. Corporate Results Framework

- Guidance on outputs and linkage to other SDGs is being strengthened. New beneficiary definitions adopted.

7. Inclusion of Sudan's ICSP in Wave 1B

- Sudan ICSP added to Wave 1B to ensure lessons are captured from a major operation.

Other issues covered in the paper

- 1. Reporting**
- 2. Treatment of emergency response during the transition period**
- 3. Organizational readiness**
- 4. Resource-based planning/implementation plans**
- 5. Macro-advance financing**

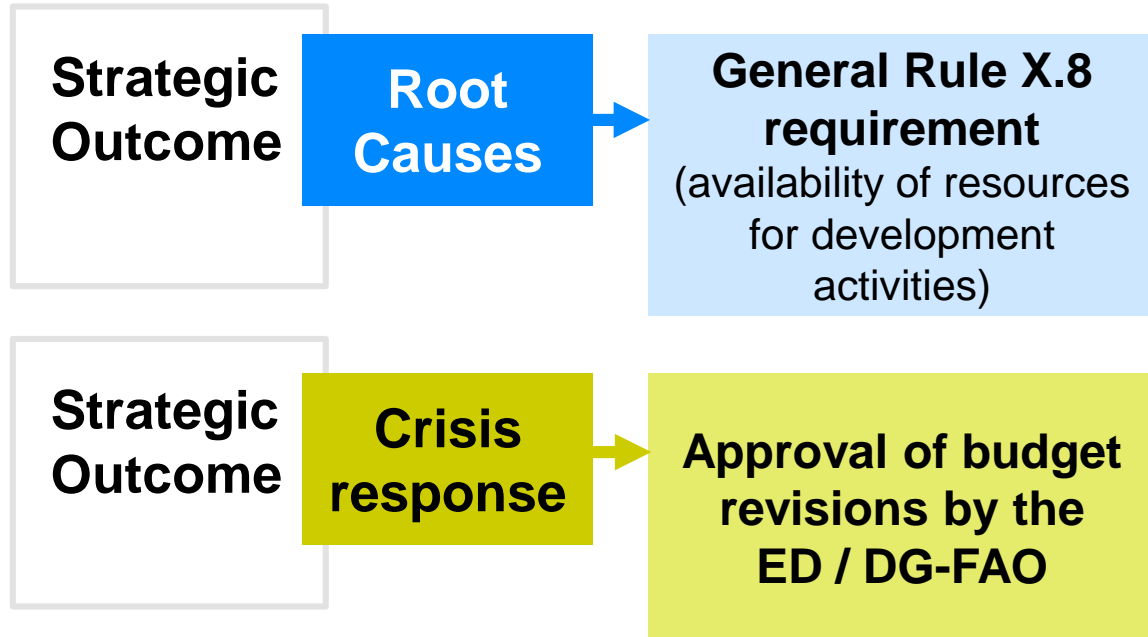


Outstanding issues requiring Executive Board discussion

Key issues for discussion

- 1. Using “Focus Areas” to facilitate application of General Rules and Delegation of Authority**
- 2. Background to delegations of authority for non-fundamental, non-emergency revisions**
- 3. Temporary delegations of authority for transitional governance arrangements**
 - i. Project budget revisions (extensions in time) in 2017;
 - ii. Extensions in time for T-ICSPs through the transition period (up to June 2019); and
 - iii. Treatment of CSPs/ICSPs that will be considered at the 2018 First Regular Session.

1. Using “Focus Areas” to facilitate application of General Rules and Delegation of Authority

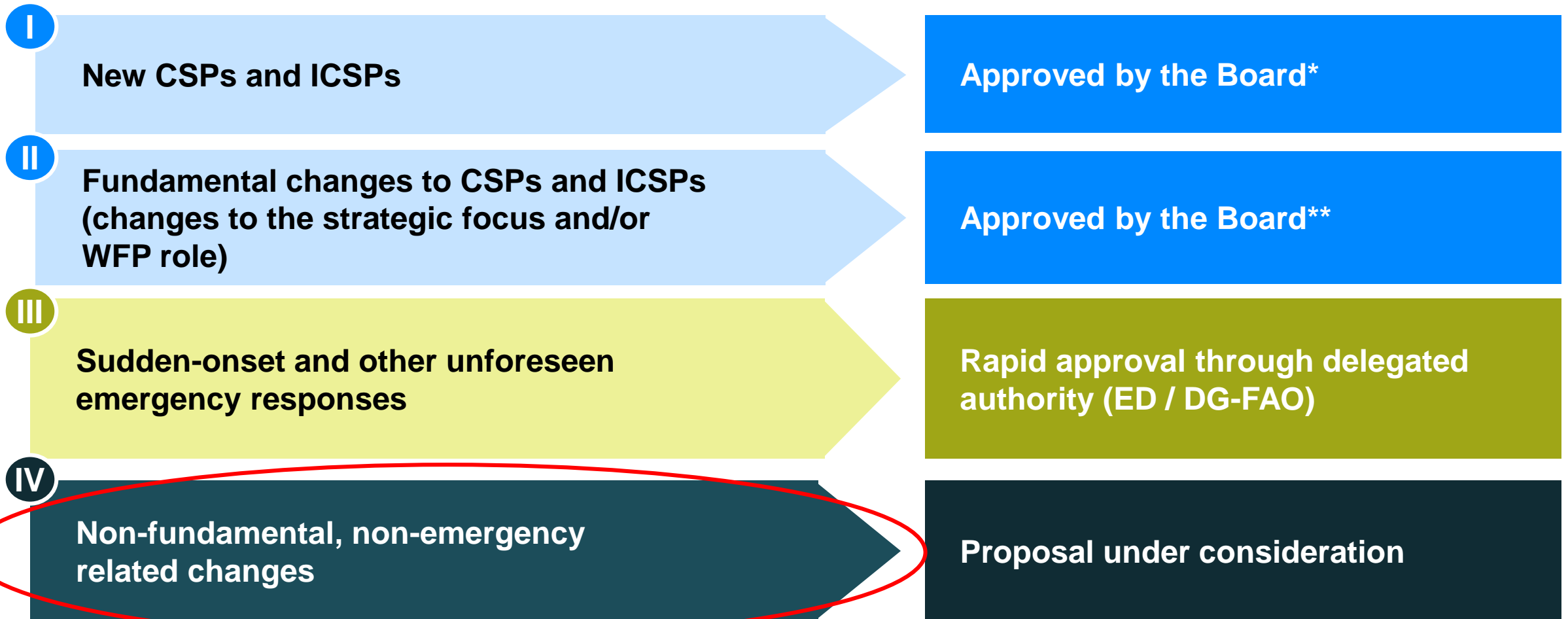


1. Tagging of ‘Root Causes’ Focus Area to link with the General Rule X.8 (Availability of resources for development activities)

2. Tagging of ‘Crisis Response’ Focus Area as a means of identifying which budget revisions go to the Executive Director/ Director-General FAO instead of the EB

2. Background to delegations of authority for non-fundamental, non-emergency revisions

Overview of Governance for CSPs/ICSPs



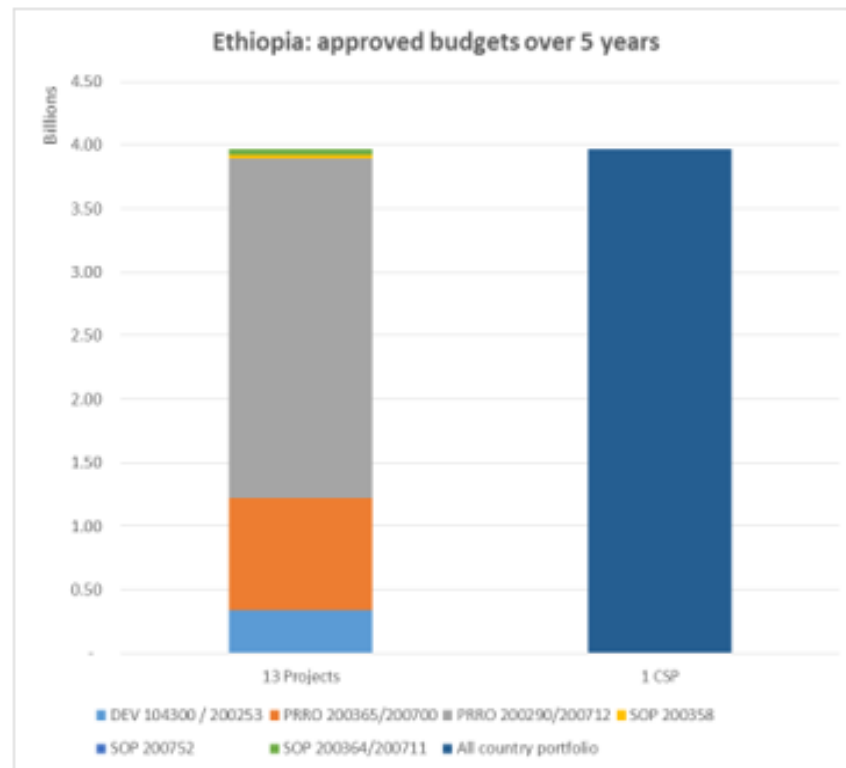
*Some CSPs may not be approved by the Board. When a CSP is funded entirely by the host government, it may be approved by the Executive Director further to Financial Regulations 5.1 and 5.2, subject to General Regulation X.6

**Some fundamental changes to CSPs may not be approved by the Board. When a new strategic outcome not previously foreseen is added to a CSP and funded entirely by the host government, it may be approved by the ED further to Financial Regulations 5.1 and 5.2, subject to General Regulation X.6

Key questions to help frame the discussion on delegations of authority (I / III)

1. Why do the threshold levels of delegation of authority for budget revisions need to be reviewed?
 - Transition from project-based to country portfolio approach
 - The shift from in-kind food assistance to various modalities and an outcome-focused portfolio

Practical Example: Ethiopia 2011-2015



13 projects with a combined value of USD 3.9 billion



1 CSP of potentially USD 3.9 billion

Key questions to help frame the discussion on delegations of authority (II / III)

2. Should WFP move from input-based budget revision thresholds (i.e. food value) to total budget revision thresholds?

- Current thresholds for input-based “food” value originated from the 90s
- Increase in the values of cash-based transfers (CBT) and capacity development and augmentation (CDA) modalities since they were introduced in the budget structure in 2013:

Budget structure modality	2013	2015
Cash-based transfers (CBT)	1% of approved budgets	22% of approved budgets
Capacity development and augmentation (CDA)	4% of approved budgets	9% of approved budgets

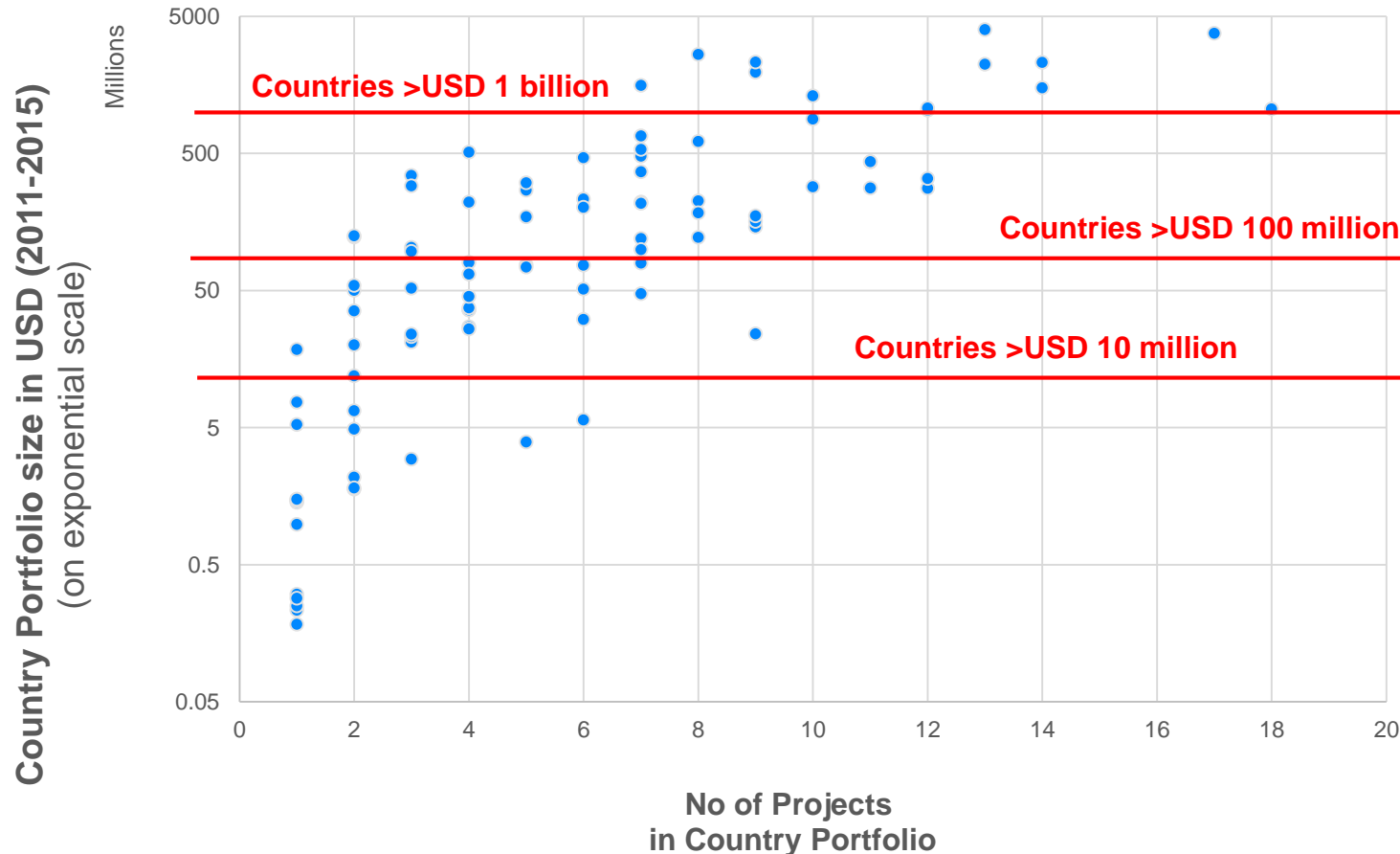
Current budgetary thresholds:

- **DEV:** USD 3 million (food value)
- **EMOP:** USD 3 million (food value)
- **PRRO:** USD 20 million (food value)

Proposal: Total budget value is more consistent with the approved CSP framework, as WFP is transitioning to an outcome-focused approach.

Key questions to help frame the discussion on delegations of authority (III / III)

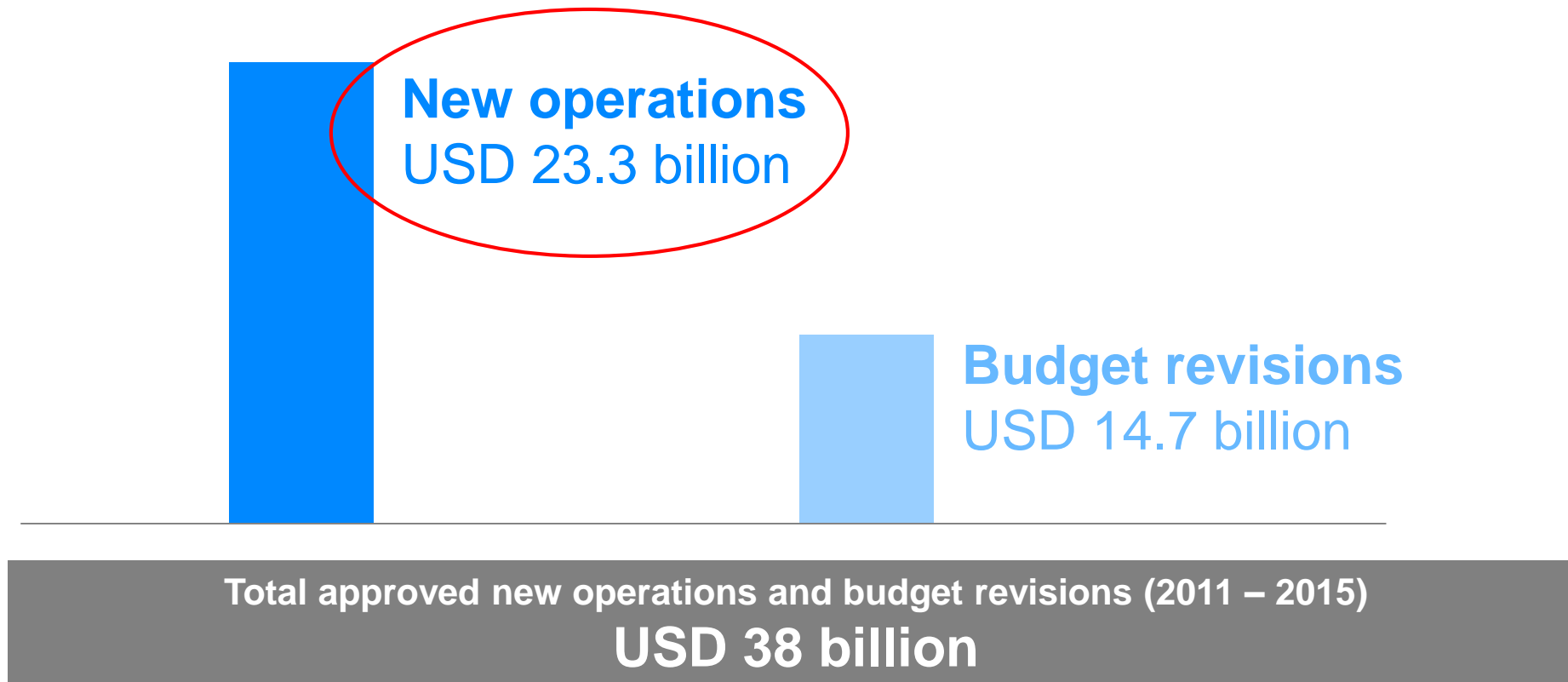
3. When considering thresholds, should percentages be considered instead of absolute budgetary values?




- EB involved in all fundamental changes to CSPs, which would imply that the actual dollar value of that change would not be uniform across all countries.
- Percentages better account for the disparity in operation sizes

2. Background to delegations of authority for non-fundamental, non-emergency revisions

The figure shows the breakdown of the total approved new operations and budget revisions from 2011 – 2015.



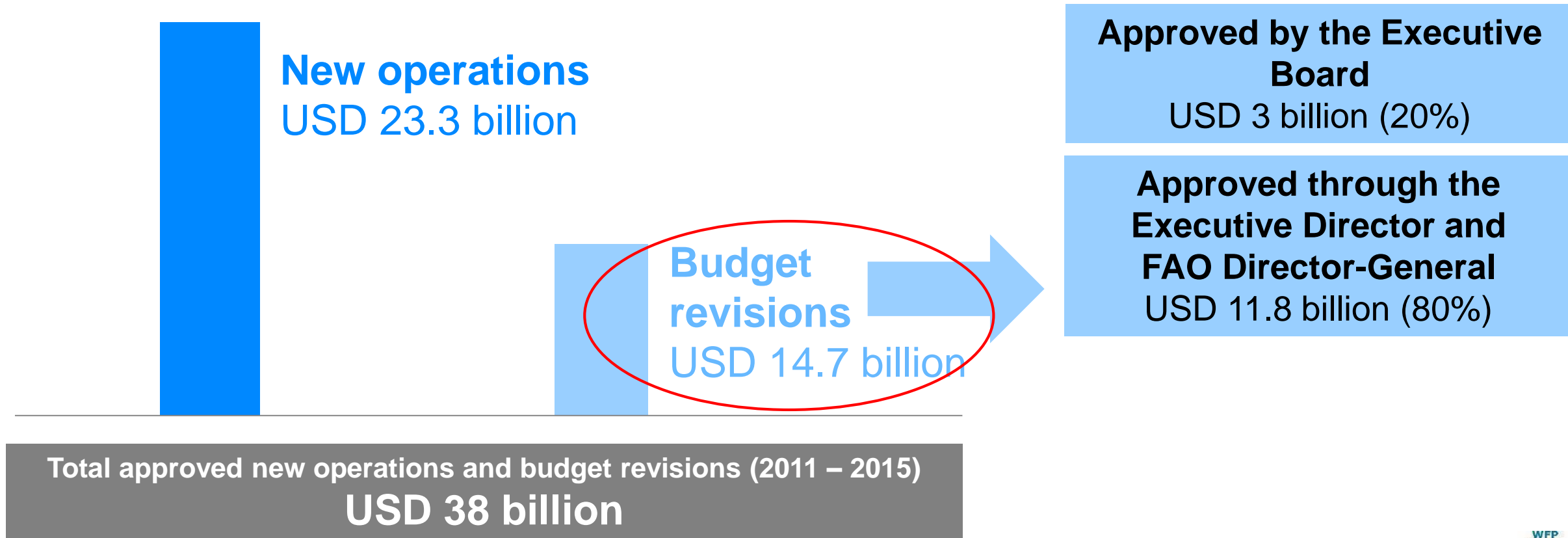
Under the CSP framework governance structure, the Board's fundamental strategic role in approving new documents increases

Project type	Current EB approvals for new projects		New governance structure for new CSPs	
	Threshold	Total value 2011-2015	Threshold	Total value 2011-2015
CPs	All CPs	USD 2,678M	All CPs	USD 2,678M
DEV	all > USD 3M in transfers + < USD 3M in transfers if no previous WFP presence	USD 196M	all DEVs	USD 257M (+30%)
PRRO	all > USD 20M in transfers	USD 13,851M	all PRROs	USD 14,458M (+4%)
EMOP SOP	<i>no EB approval</i>		only planned recurring EMOPs or SOPs (estimated half of total EMOP or SOPs)	+ USD 3,230M
Total EB approvals for 5 years: USD 16.725 billion				Total EB approvals for 5 years: USD 20.623 billion

Conclusion: EB authority over new “projects” expected to increase by 23 percent.

2. Background to delegations of authority for non-fundamental, non-emergency revisions

A further analysis examined the budget revisions.



2. Background to delegations of authority for non-fundamental, non-emergency revisions

Further analysis has shown that there are three main categories of budget revisions that are considered non-fundamental and non-emergency related:

	Number of budget revisions	Value of budget revisions
i. Extensions in time	41%	72%
ii. Change in transfer value	12%	7%
iii. Technical revisions¹	17%	< 1%

¹ Largely eliminated with the new approach to full cost recovery and the introduction of resource-based planning

2. Background to delegations of authority for non-fundamental, non-emergency revisions

i. Extensions in time (72 percent)

- Move to longer duration country portfolios should reduce the need for extensions in time.
- Should mainly be handled through subsequent CSPs/ICSPs to be approved by the Executive Board.
- May need agreed procedure to approve short extensions to defer new CSPs/ICSPs to subsequent EB session (after the transition period).

2. Background to delegations of authority for non-fundamental, non-emergency revisions

ii. Changes in transfer value (7 percent)

Excluding extensions in time, the number of budget revisions that will be considered non-emergency and non-fundamental is expected to be **minimal** and will fall under two main categories:

- i. Scale-ups/downs of outcomes; and
- ii. Revisions to service provision.

Proposal: Scale-ups/downs of outcomes, **delegation of authority to the Executive Director** based on the following:

- i. Budgetary thresholds
 - Moving from food value to total value; and
 - Using a percentage, rather than a dollar value, to better account for the disparity in operation size (single percentage is proposed, rather than variable)

Proposal: The Secretariat will seek **delegation of authority** for the Executive Director to approve revisions to service provision keeping the Board regularly informed

3. Temporary delegation of authority for transitional governance arrangements

3. Temporary delegation of authority for transitional governance arrangements

i. Project budget revisions in 2017 [extensions in time]

- Some country offices will require the approval of budget revisions (extensions in time) for existing projects in 2017 before the approval and start of a CSP or ICSP.
- 15 project budget revisions (extensions in time) scheduled for approval at EB.A/2017 and EB.2/2017 in addition to 23 CSPs/ICSPs.
- A streamlined approach in 2017 and 2018 would reduce the anticipated workload of the Board.

Proposal: The Secretariat will seek to amend the Executive Director's **temporary delegated authority** to include approval of project budget revisions (extensions in time) until the country offices' CSP or ICSP start date. A draft decision will be presented for approval at the 2017 Annual Session.

3. Temporary delegation of authority for transitional governance arrangements

ii. Extension in time for T-ICSPs

- T-ICSPs - based on previously approved project documents - will be approved by the Executive Director for a period of up to 18 months as a bridge to a strategic-review informed CSP.
- Within the 18-month period, country offices are expected to develop and submit strategic review-informed CSPs for approval by the Executive Board.
- In some cases the development of the CSPs may slip outside of the timeframes currently envisaged.

Proposal: The Secretariat will seek **temporary delegation of authority** to approve extensions in time up for T-ICSPs through the transition period (up to June 2019).

3. Temporary delegation of authority for transitional governance arrangements

iii. T-ICSPs for CSPs and ICSPs to be considered at the 2018 First Regular Session

- Under current plans, the Board will consider five CSPs (Afghanistan, Honduras, Jordan, Pakistan and Tunisia) and an ICSP for Yemen at the First Regular Session of 2018.
- Under the current arrangements, these six country offices would be required to create a T-ICSP – approved by the Executive Director – for the six to eight weeks prior to the Board session.
- This anomaly has been raised by impacted country offices as inefficient and overly burdensome.

Proposal: The Secretariat will seek **temporary delegation of authority** that the Executive Director approve the six CSPs/ICSPs as T-ICSPs for the first two months of 2018. Administratively this will be managed as the first two months of an EB approved CSP/ICSP.

Next Steps

Key issues for discussion at the 17 May Informal Consultation

5 May: Informal Consultation on Country Strategic Plans [Cameroon, Lebanon, Mozambique, Namibia, Tanzania] and Interim Country Strategic Plan [Sudan].

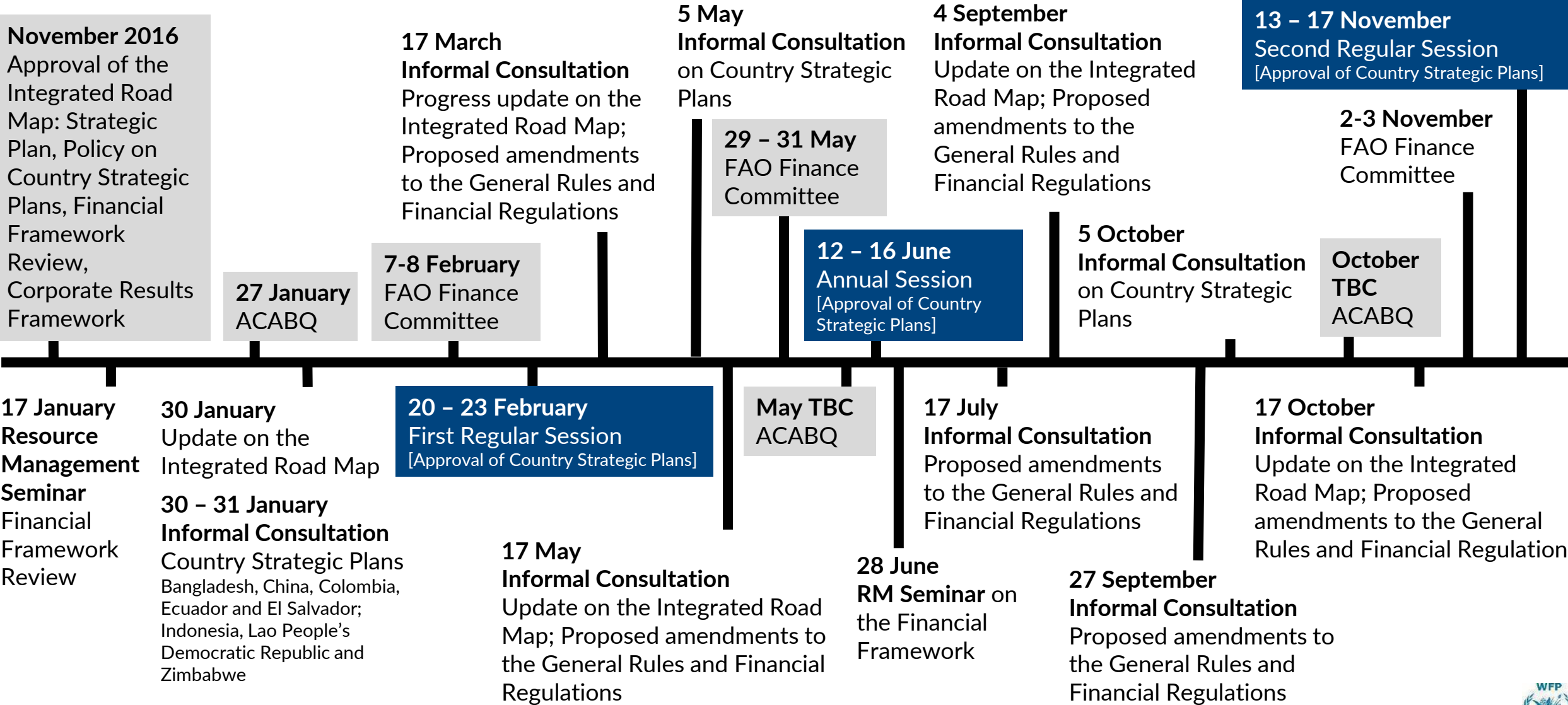
17 May: Informal Consultation on the Integrated Road Map and proposed amendments to the General Rules and Financial Regulations

1. Outstanding issues raised and the proposed arrangements set forth during this session, including:

- i. Using “Focus Areas” to facilitate application of General Rules and Delegation of Authority
- ii. Delegations of authority for non-fundamental, non-emergency revisions
- iii. Temporary delegations of authority for transitional governance arrangements
- iv. Focus areas and alignment to donor funding lines
- v. The annual planning process and Country Operations Management Plan (COMP)
- vi. Necessary refinements to the CP Budget and CSP content.

2. Draft amendments to the General Rules and Financial Regulations

2017 Informal Consultations: Integrated Road Map



A photograph of children sitting at a table eating. In the background, a blue banner for the UN World Food Programme is visible. The banner features the UN logo and the text 'Naciones Unidas Programa Mundial de Alimentos' and 'La agencia de las Naciones Unidas que lucha contra el hambre en el mundo'. The word 'Discussion' is overlaid in white text in the center of the image.

Discussion

