

Concept Note

WFP 2030 FUND

Rationale for the fund:

In November 2016, the WFP Executive Board approved the Integrated Road Map (IRM) to bring about the organization's most significant transformation in decades and strengthen its contribution to the 2030 Agenda.

The IRM and the process of preparing Country Strategic Plans (CSP) is essentially a call for WFP to revisit its role in countries, ensuring the right contributions in the right contexts to fight hunger and malnutrition to support the achievement of the SDGs by 2030. Based on evidence and a thorough consultation process, the new CSPs enhance WFP's potential for impact, effectiveness and efficiency. In some countries, this requires a repositioning of WFP at the strategic and operational levels to better address hunger in a given context. This concept note explains the rationale for creating a fund to support the WFP transition in certain countries, ensuring that the CSPs can be effectively implemented.

Indeed, many WFP offices are in the process of transitioning to a new way of working. This can mean, for example, new areas of work previously not done by the country office; planning a proper exit strategy for areas where WFP used to work and will now be taken up by other stakeholders (e.g. the government); or changing the size or type of operational portfolio (switching from food, to cash, to advocacy and capacity development).

An Internal Audit of the IRM pilot phase raised many issues, including that *'lack of available seed funding for newly-designed activities resulted in some pilot Country Offices (COs) taking a conservative approach when formulating their Country Strategic plans'* and that the lack of such seed funding *'may constrain the ability of WFP to demonstrate competence in such areas of expected programmatic shifts'*.

Implementing the changes envisioned in certain CSPs is in fact very difficult without the proper financial support. Existing funds are often earmarked to specific projects or objectives preventing country offices from investing or developing new areas of work. Valuable time and effort goes into fundraising for small amounts of funding to support these new approaches, with mixed results, leading to inefficiencies. Additionally, there are situations where the only way to convince partners to support WFP in a new strategic role is to field test the new approach and for partners to see it work. This is true when WFP is called to perform a completely new function and it needs to show proof of concept e.g. moving from providing direct food assistance to providing only policy support to government. Testing an initiative is often the best way to change the impression that partners have of WFP and its new ways of working. Support is also needed to secure high-level buy-in of government counterparts; build WFP's credibility with donors to fund the new approaches; establish new partnerships; and ensure that country office capacities are in line with the new demands.

A corporate effort to reposition WFP also has the potential to benefit the organization by among other things, finding new funding streams. Dedicated support could bring in new sources of funding from the private sector or non-traditional donors. In short, the transition fund would help to bridge the gap between the previous and the new ways of working, ensuring WFP continues to be effective and efficient.

The fund will be tied to the CSP design, formulation or implementation and there should be an evidence-based rationale to request the funding (e.g. findings of a Strategic Review, an evaluation of the CSP, etc.).

Funding will be time-bound (1 to 2 years duration) and help support substantial strategic changes in the country offices (test or demonstrate new approaches). It would not work as another innovation fund, in the

sense that it would not fund activities or ideas that are not tied to the specific strategic challenges raised in a CSP. Funding will also not overlap with other existing mechanisms that may help support specific stages of the cycle (i.e. advance financing, etc).

Goal of the Fund:

The goal of the Fund will be to bridge the gap between previous and new ways of working and ensure that WFP is able to reposition and operationalize its activities, based on the outcomes of a comprehensive national strategic hunger review and through deployment of support under the CSP process.

Criteria for Funding:

Funding proposals that support the following criteria, and directly support implementation of the CSP, will be eligible for funding:

- Pilot proof of concept or new modalities of assistance;
- Support operationalization of the humanitarian-development-peace nexus;
- The roll-out of new initiatives in support of the CSP;
- Support to UN Reform initiatives in relation to repositioning of country efforts;
- Initiatives that expand the donor base.
- Change management initiatives that support WFP CO repositioning (alignment of business processes and capacities, etc).

Additional Requirements:

The following additional requirements will be taken into account:

- The activity must demonstrate additionality or complementarity to what are core CSP functions/activities funded from standard donor sources;
- Proposals must be focused, delimited in scope and time bound;
- Proposals must have well-developed monitoring and reporting arrangements, and include clear outcomes and outputs and performance indicators;
- Proposals must improve the likelihood of achievement and/or quality of already planned CSP activities/outcomes, including through roll-out of new tools;

Priorities:

Priority will be given to the following proposals:

- Proposals that directly support transition or transformational change (important and lasting) in CSPs;
- Proposals that support a change in ways of working resulting from evaluation, internal audit and external audits;
- Proposals contributing to corporate learning.

Procedures for application:

WFP Management will consider only one application for transitional funding during the CSP cycle in selected countries. The following schema shows how funding proposals would be handled:



It should be noted that country offices differ from each other in the light of the local context, size and complexity of operations. In this connection, it is essential to have regional coordination, with the Regional Bureaux being responsible for collecting and reviewing the different proposals with a view to a prioritization of proposals and in order to avoid duplication. The review of joint proposals, covering more than one country offices, shall in principle be considered when the level of the response requires the involvement of more than one single country office, based on the guiding principle of efficiency and effectiveness gains.

To mitigate the risk of sub-optimal allocations, an inter-departmental HQ Committee shall be established to review proposals submitted by the Regional Bureaux. The aim is to ensure close scrutiny of proposals ahead of the allocation of funding. The HQ Committee will formulate recommendations for the approval of proposals by senior Management. The Committee will comprise HQ Divisions, including technicians from different Departments and Divisions, who will review proposals and provide advice within their respective areas of expertise.

The HQ Committee will be called by the Director, Office of the DED, on an as required basis and will provide recommendations for the approval of specific proposals, considering agreed criteria and other requirements and the balance of the 2030 Fund.

The Operations Management Service (OMS) will act as the Secretariat of the 2030 Fund Committee and will provide support for the effective functioning of the 2030 Fund, including preparation of relevant NFRs of meetings.

Monitoring and Reporting:

The success of this initiative requires a strong monitoring and reporting component. A standard application form (see below) will be completed for all proposals, which will include clear indications of monitoring and reporting standards. This will include clear links to WFP’s Corporate Results Framework and a detailed list of outcomes and outputs, along with key performance indicators. The HQ Committee will also be responsible for reviewing the results of activities and for deciding on inclusion of results in Annual Performance Reports.

Figure 1. Example of application

ANNEX – 2: APPLICATION FORM

Guidance for completion:

1. This format is meant to collect all proposals in a standardized format, support timely and effective consideration of proposals, and ensure a coherent and effective tracking system of allocation;
2. The information you provide will help the Office of the DED, HQ technical units and the HQ 2030 Fund Committee to assess the merit of the project. It will also be used to see if there are similar activities foreseen, so contact between project managers can be established. Furthermore, the information provided will be used to track repeat submissions, pilots and initiatives.
3. Please fill in **all** cells; where you have no information to provide, please indicate “n/a”, “none” or similar, to clearly indicate that no field has been overlooked.
4. **A limit of 200 words applies to all narrative sections.**
5. Further guidance is given at the beginning of some of the sections.

Activity Title <i>(Please chose a short, informative title)</i>	<input type="checkbox"/>
Primary Category <i>(the thematic area to which the activity relates)</i>	<input type="checkbox"/> Pilot Proof of Concept <input type="checkbox"/> Expand/Diversify the Donor Base <input type="checkbox"/> Operationalization of the humanitarian-development-peace nexus; <input type="checkbox"/> Transfer of knowledge to government /Handover/Exit <input type="checkbox"/> Support UN Reform Initiatives; <input type="checkbox"/> Change Management initiatives in support of WFP repositioning
Secondary Category <i>(many activities relate to more than one area, and areas can be overlapping or cross-cutting)</i>	<input type="checkbox"/>

Examples of activities supported through the Fund

The purpose of the 2030 fund is to finance actions that bridge the gap between previous and new ways of working and ensure that WFP is able to re-position and implement its activities in accordance with the findings of comprehensive national zero hunger strategic reviews and by deploying additional support through the CSP process. This will strengthen selected country offices in their ability to adopt optimal approaches to implementing CSPs, while adapting to the new working modalities introduced through implementation of the IRM.

Below are examples from selected country offices to illustrate how the WFP 2030 fund could support WFP in repositioning itself in countries of operation:

1. Support for effective CSP roll-out

Examples of activities:

The Sri Lanka country office received seed funding of USD 275,000 to pilot new initiatives related to the rollout of the CSP. The forward-looking approach of the CSP, anchored in a middle-income context, was a marked departure from previous WFP projects. Thus, the CO required time and financing at the critical early stage of the CSP to promote the awareness of new programmatic directions and to secure stronger partnership engagement. The seed capital was used to fund the fielding of additional sector specific experts to further enhance top quality WFP programme design and harmonization with WFP corporate approaches. The funding was also used to achieve technological advances in drought and shock responsive social protection systems and tools linked to the CO's VAM 'PRISM' system, which came in time to address a second year of historic droughts and floods in the country; this technology is now also being adopted by other Asian countries. Importantly, the timely availability of seed capital was also critical in ensuring the establishment of new private sector partnerships.

Activities undertaken included the formulation of proposals, which were subsequently successful in

attracting new resources in all 4 of the CSP strategic outcome areas, including those from the private sector, with further proposals currently at an advanced stage of preparation.

2. Initiatives to broaden and/or diversify donor base:

Examples of activities:

a) The Bolivia country office negotiated with oil company's REPSOL foundation to use about USD 90,000 USD of its yearly contribution to launch two home grown school meals pilot initiatives. These models (comparative pilots) were implemented over a period of 18 months during the CSP consultation and design phase. The country office used the pilots to show an alternative model of WFP assistance in the country where WFP facilitates and provides technical support (to small holders and municipal governments in the area of supply chain, marketing, planning, nutrition, procurement and monitoring). After numerous field visits from government and donors to show them the new way of working and a thorough evaluation of the pilot, the new rural development component of the CSP was designed. The pilots offered visibility, built trust with government, showed a new working model and as such helped reposition WFP. The Bolivia CO was about to close two years ago but with this repositioning effort WFP is now seen as a relevant partner in the country and is on track to secure new funding from KOICA (8 million) and ECHO, demonstrating the seed funding can also leverage new resources from donors.

b) Peru: A USD 500,000 untied grant from China was used to implement WFP's new advocacy and communications approach in 2017, as it was designing its new CSP. The grant was used to finance the first season of the TV Show Cocina con Causa, organize a large coalition of stakeholders for SDG2 including chefs, hire new advisors for the office to help put in place its new advocacy, partnerships and communication strategies, put in place a new website and social media strategy. The new approach radically changed WFP's profile in the country. The TV show allowed WFP to reach 4 million Peruvians in 2017, increasing its impact and making WFP a preferred partner of the government including the President and Prime Minister's office. With the concept proven, WFP included the new approach in its CSP as a first strategic outcome. The original Chinese grant has leveraged almost USD 2 million in new funding for 2018, all of it from new and non-traditional donors, dramatically changing the funding structure of the office and ensuring its sustainability.