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Evaluation reports

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Executive Board documents are available on WFP's website (<https://executiveboard.wfp.org>).

Summary report on the strategic evaluation of funding WFP's work (2014–2019)

Executive summary

This strategic evaluation is an assessment of the quality and results of WFP's efforts to secure adequate and appropriate funding of its efforts towards zero hunger over the period from 2014 to 2019. The findings, conclusions and recommendations of the evaluation are based on data gathered from 394 key informants, visits to 25 WFP and related partner offices, an analysis of comparable organizations and an extensive review of literature, documents and data.

Funding for WFP's work has increased dramatically, rising to USD 8.1 billion in 2019, with a high proportion linked to Level 3 emergencies. Despite the growth in contributions, a substantial funding gap remains. WFP funding is heavily reliant on a few government donors who largely provide earmarked contributions, a substantial portion of which must be spent in one year or less.

The continuity of WFP funding is uncertain, although measures have been taken to minimize risks. The scale of funding gaps is subject to debate, influenced by various internal and external interpretations of WFP's dual mandate. This disproportionately affects WFP operations in less visible crises and, resilience building and development activities. While the lack of an overarching funding strategy has not limited overall resource mobilization, the new private sector partnerships and fundraising strategy is an important advance.

WFP has been successful in raising humanitarian funding but has not yet tapped into development financing at scale. Private sector fundraising has been limited thus far, but it is expected to increase gradually in line with the new strategy. Efforts to access innovative financing, engage in joint resource mobilization and reform processes, develop innovations and efficiencies and make use of new fundraising tools have shown promise. However, the evaluation found capacity gaps

In line with the Evaluation Policy (2016–2021) (WFP/EB.2/2015/4-A/Rev.1), to respect the integrity and independence of evaluation findings the editing of this report has been limited and as a result some of the language in it may not be fully consistent with the World Food Programme's standard terminology or editorial practices. Please direct any requests for clarification to the Director of Evaluation.

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in country offices and insufficient expertise in attracting specialized thematic and cross-cutting funding.

The Integrated Road Map has enhanced the way WFP conveys its ambitions regarding its dual mandate, but expected changes in flexible, predictable and adequate funding have not yet materialized. Improvements in generating evidence of the impact of WFP operations are needed, as well as efforts to better manage ad hoc and specialized donor reporting requirements.

WFP's internal resource allocation mechanisms are intended to facilitate funding for core functions and strategic initiatives and to limit the negative effects of temporary funding shortfalls on operations and programmes. Allocation decisions also help inform resource mobilization actions. WFP's funding needs are described in a way that is coherent with its strategies but guidance is lacking on what to prioritize within those needs. Internal allocation mechanisms alleviate some gaps, but because there are limited resources to allocate funding largely drives strategy. Advance financing mechanisms have been important for operational effectiveness, but the evaluation identified challenges related to the liquidity and coverage of the Immediate Response Account.

The evaluation concluded that WFP has succeeded in mobilizing resources but has not addressed disparities in what is funded.

The evaluation recommends that to maintain and grow its funding WFP should ensure that it speaks and acts with one voice regarding its mandate and priorities, strengthen efforts to finance its development work, fully implement the private sector strategy and redouble efforts to ensure the full realization of aims of the Integrated Road Map. Increased investments in resource mobilization and communications functions and in organizational capacities are recommended, as well as improvements in resource allocation processes and advance financing mechanisms.

Draft decision*

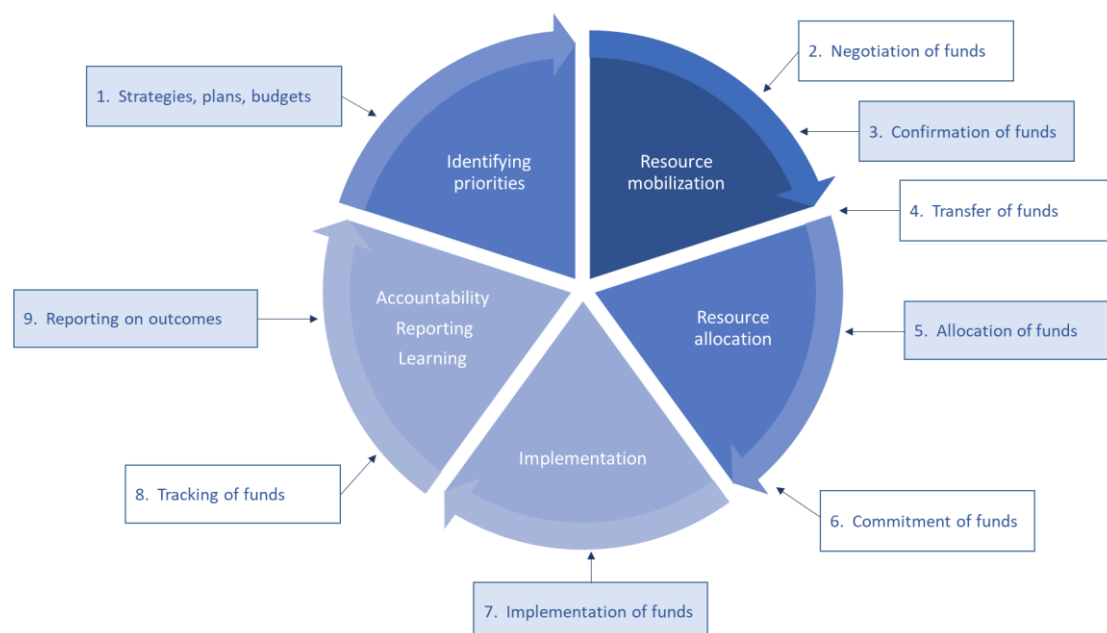
The Board takes note of the summary report on the strategic evaluation of funding WFP's work (2014–2019) (WFP/EB.A/2020/7-C) and the management response (WFP/EB.A/2020/7-C/Add.1), and encourages further action, taking into account considerations raised by the Board during its discussion.

* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

Introduction and evaluation features

1. This strategic evaluation was commissioned by the WFP Office of Evaluation. It assessed the quality and results of the efforts made by WFP between 2014 and 2019 to secure adequate and appropriate funding for its work towards achieving zero hunger, and it sought to determine why WFP has or has not been able to fund its work in order to draw lessons for the future.
2. The evaluation serves the dual purposes of learning and accountability. The evaluation covered all types of WFP funding and resourcing for all areas of its work.¹ It set out to answer four main evaluation questions:
 - Has WFP developed a comprehensive, coherent and effective policy framework, strategy and organizational structure to ensure adequate and appropriate funding for its work?
 - Has WFP successfully implemented the tools, approaches, incentives and individual capacities to attract adequate and appropriate funding for its work, including from private sources?
 - Has the move to the Integrated Road Map (IRM) helped or hindered the mobilization of adequate and appropriate resources, and what opportunities are there for the future?
 - Have WFP's internal resource allocation mechanisms helped it to meet its priority needs on time?
3. A conceptual framework (see summary in figure 1) was designed to guide the evaluation. It was used alongside the evaluation questions to focus on the most important processes, activities, actors and expected outcomes involved in funding the work of WFP.

Figure 1: Summary of evaluation conceptual framework

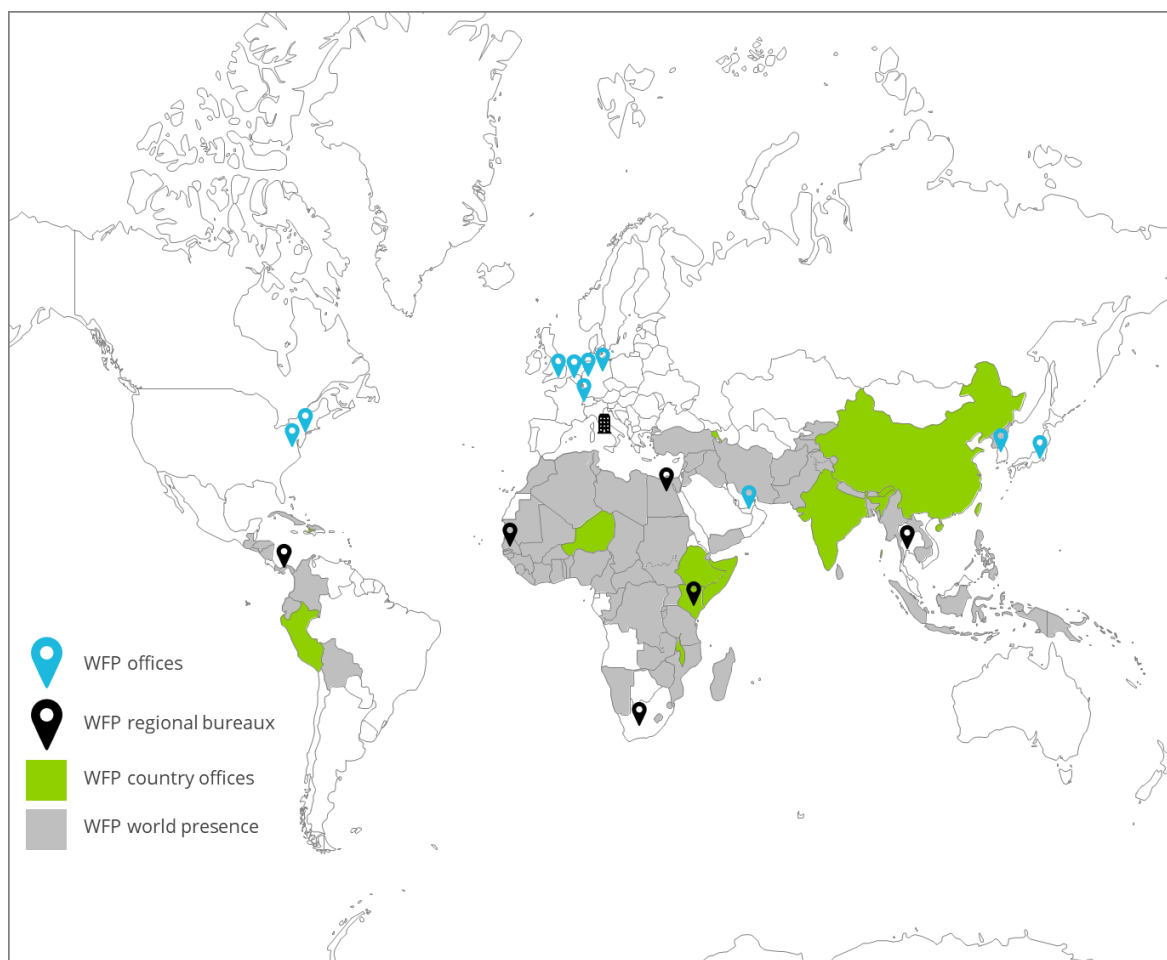


4. The evaluation was conducted between May 2019 and March 2020. An inception phase was followed by data and document reviews. Nearly 400 stakeholder interviews were conducted at headquarters and in eight country offices, all six regional bureaux and ten donor capitals (figure 2). A comparative study covered nine other organizations, drawing on publicly

¹ For the purposes of the evaluation, WFP's work is broadly defined as its programme of work and its support functions, as the latter directly enable and support the quality of programming.

available quantitative data, documents and interviews. Evaluation data was triangulated across methods and sources, analysed and validated during a global debrief and a one-day consultative workshop.

Figure 2: Map of data collection locations



5. The primary intended users of the evaluation are the WFP Executive Board; senior management; staff in headquarters, global offices, regional bureaux and country offices; donor partners; government partners; private sector partners; and other interested parties.

Context

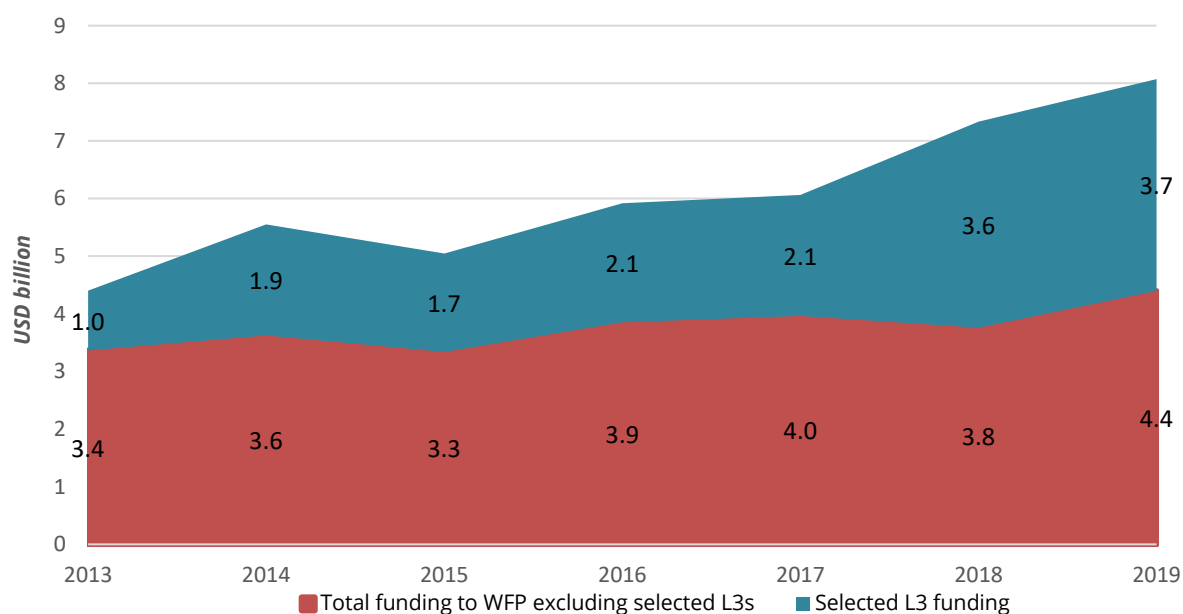
6. Following decades of steady decline, world hunger increased in 2018 for the third consecutive year, with more than 821 million people chronically undernourished² and over 113 million people in 53 countries experiencing acute hunger, with around two thirds of the latter living in areas affected by conflict or insecurity.³

² Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development, United Nations Children's Fund, WFP and World Health Organization. 2019. *The State of Food Security and Nutrition in the World 2019. Safeguarding against economic slowdowns and downturns*. <https://www.wfp.org/publications/2019-state-food-security-and-nutrition-world-sofi-safeguarding-against-economic>.

³ WFP. 2019. *WFP Management Plan (2020–2022)* (WFP/EB.2/2019/5-A/1). <https://docs.wfp.org/api/documents/WFP-0000108558/download/>.

7. The United Nations Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development (2018–2021) estimates that between USD 5 and USD 7 trillion will be needed⁴ and concludes that raising that amount will require broader partnerships, new financing models and additional funding from the public and private sectors.
8. In response to development challenges, official development assistance from members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development rose to a high of USD 152.8 billion in 2019, although the pace of growth in official development assistance in recent years has slowed. International humanitarian assistance increased by USD 28.9 billion in 2018; while that was the fifth consecutive annual increase, the rate of increase was lower, than in previous years.⁵
9. Funding for WFP's work has increased dramatically over the course of the last two decades in response to increasing humanitarian needs, driven by contributions to responses to large-scale and high-profile emergencies (figure 3). Nonetheless, a large funding gap remains.

Figure 3: Volume of contributions to WFP and selected Level 3 emergencies



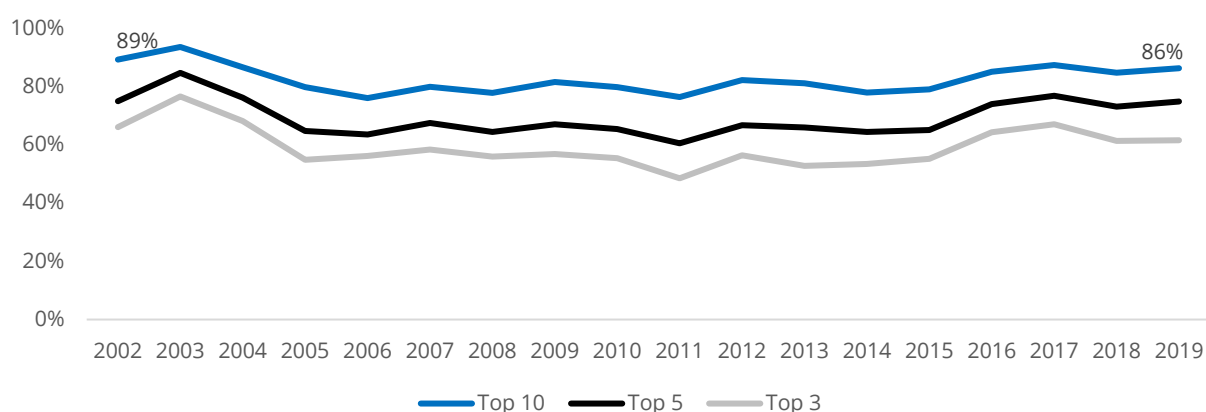
Source: WINGS data as of 31 January 2020

Notes: The selected L3 emergencies are Syria +5 (2013–present, noting that the +5 countries lost L3 status in March 2019); Yemen (2015–present, noting that L3 emergency was only declared on 3 July 2015); and South Sudan (2014–present).

10. Much of WFP's funding comes from a relatively small pool of government donors (figure 4), and private sector contributions have declined in the last decade. This is in contrast to a number of comparable United Nations organizations that have seen a growth in their private income, particularly from individuals.

⁴ United Nations Conference on Trade and Development. 2014. *World Investment Report 2014*. https://unctad.org/en/PublicationsLibrary/wir2014_en.pdf. A more recent report estimates a funding gap of USD 400 billion per year for low-income developing countries: see United Nations Sustainable Development Solutions Network. 2019. *SDG Costing & Financing for Low-Income Developing Countries*. https://irp-cdn.multiscreensite.com/be6d1d56/files/uploaded/FINAL_SDG%20Costing%20%26%20Finance%20for%20LIDS%2028%20Oct.pdf.

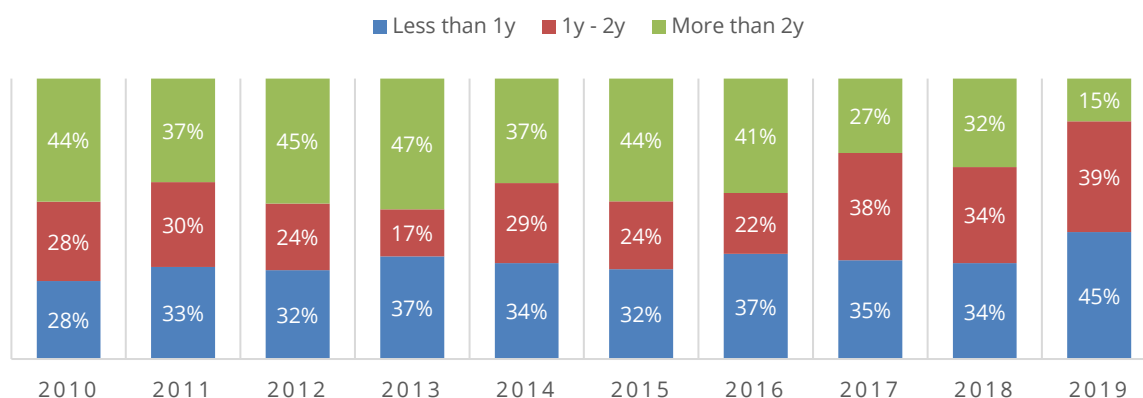
⁵ Development Initiatives. 2019. *Global Humanitarian Assistance Report 2019*. <https://devinit.org/publications/global-humanitarian-assistance-report-2019/#downloads>.

Figure 4: Concentration of funding by top donors

Source: WINGS database as of 10 September 2019.

Notes: Data is in constant prices.

11. While the volume of funding received as part of multi-year commitments from donors has increased over recent years, the percentage of short-term contracts has also increased (figure 5).⁶

Figure 5: Volume of contributions to WFP by expenditure timeframe, 2010–2019

Source: WINGS data as of 31 January 2020

12. The vast majority of WFP funding is earmarked: 94 percent in 2018 was directed (as opposed to flexible, multilateral), and 84 percent of directed contributions were earmarked to the activity level, although this share fell to 71 percent in 2019.
13. The past three WFP strategic plans have provided direction related to the funding of the organization's work, including by identifying challenges in the funding environment and underscoring the importance of flexible and long-term funding. The WFP Strategic Plan (2017–2021)⁷ aligns WFP priorities with the Sustainable Development Goals (SDGs), particularly SDGs 2 and 17, and reaffirms the dual mandate of WFP organized around three focus areas: crisis response, building resilience and root causes. A number of WFP strategies and policies also provide a foundation for WFP's approach to funding.

⁶ WFP's definition of multi-year commitments are funds committed on a certain date which WFP can predictably count on in the following years. They are registered within WFP's systems as separate grants – one for each year of the agreement.

⁷ WFP/EB.2/2016/4-A/1/Rev.2* <https://docs.wfp.org/api/documents/WFP-0000037196/download/>.

14. Regional bureaux, country offices and global offices have clear responsibilities to support fundraising. In addition, various units at WFP headquarters are responsible for the oversight and coordination of resource mobilization. The Strategic Resource Allocation Committee (SRAC) serves as the lead in the formulation of recommendations to the Executive Director regarding the allocation of flexible funding received by WFP.⁸
15. Trust funds serve as vehicles for attracting donor funding for specific initiatives; special accounts enable WFP to finance corporate and business services and support activities that do not fall within the scope of country strategic plans (CSPs). Given WFP's dependence on somewhat unpredictable voluntary contributions, the organization has established advance financing mechanisms, including the Immediate Response Account and the Internal Project Lending Facility.

Findings

Evaluation question 1: To what extent has WFP developed a comprehensive, coherent and effective policy framework, strategy and organizational structure to ensure adequate and appropriate funding for its work?

16. WFP's budget has grown significantly in line with the increase in humanitarian need and the resulting large contributions to major emergency responses. The continuity of that funding is highly uncertain, however, because of volatility in the funding environment and overdependence on a small pool of donors. The organization has taken several measures to minimize risks, including efforts to diversify the funding base and the cautious management of the programme support and administrative (PSA) budget. The true running costs of WFP are not reported in a consolidated way that captures operational costs both within and outside the PSA budget; this complicates the task of understanding the scale of the risk and instituting appropriate risk mitigation measures.
17. 'Adequate' and 'appropriate' are relative terms when applied to funding, and the scale of the funding gap is debated within WFP. What is clear is the impact of funding shortages on operations, particularly for smaller and less visible crises and for resilience and development activities. Donor reactions to the funding gap are mixed, and some are sceptical about the role of WFP beyond emergency response. Internal stakeholders have various perspectives on priorities within WFP's dual mandate.
18. WFP has no overarching funding strategy, but this is not perceived by stakeholders to have had a negative impact on resource mobilization. While WFP's success in private fundraising has been limited to date, the recently adopted private sector strategy is an important addition.⁹ This new strategy and investment commitments seem likely to generate results in line with the timeline and targets approved by the Executive Board.

⁸ Two types of revenue provide flexibility for WFP's internal resource allocation: the income captured by applying the indirect support cost rate to contributions; and multilateral (unearmarked or lightly earmarked) contributions. Indirect support cost income is used to fund the PSA budget.

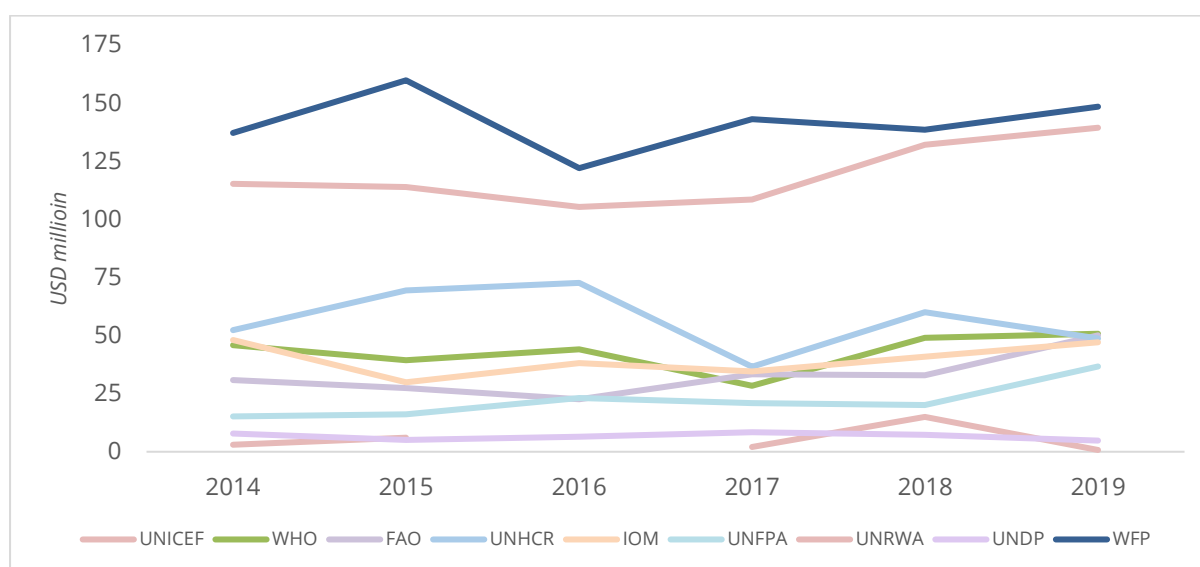
⁹ The WFP "Private-sector partnerships and fundraising strategy (2020–2025)" (WFP/EB.2/2019/4-A/Rev.1) distinguishes between strengthening technical partnerships with businesses for their expertise, capability and advocacy support; increased efforts to generate funding from individuals; and more engagement with foundations to leverage both funding and expertise.

19. The architecture, legal framework and governance arrangements of WFP have enabled the organization to take multiple, largely successful, approaches to resource mobilization. Greater impact could be achieved through better use of different WFP offices and structures, including global offices and friends of WFP associations. Some country offices have struggled to raise adequate funding and a competitive environment for resources exists at headquarters due to a lack of internal coherence and prioritization.

Evaluation question 2: To what extent has WFP successfully implemented the tools, approaches, incentives and individual capacities to attract adequate and appropriate funding for WFP's work, including from private sources?

20. WFP has made good use of humanitarian funding mechanisms, including pooled funds (figure 6), but has not yet been successful in tapping into development financing at scale, partly due to challenges to effective communication with regard to WFP's dual mandate. There is potential for more progress in this area, particularly if success is measured through strengthened partnerships and the leveraging of funding rather than solely through development contributions secured for WFP's own programmes.

Figure 6: Top recipients of funding from the Central Emergency Response Fund



Source: Central Emergency Response Fund

21. The WFP brand is relatively unknown among the general public, an issue that will need to be addressed if contributions from individuals are to increase as foreseen in the private sector strategy. Communications and marketing efforts have also focused primarily on emergency response activities rather than resilience and development work.
22. WFP's approach to innovative financing has generated some successes, particularly in forecast-based funding, but it is difficult to estimate the potential value of such opportunities. Approaches have been piecemeal and WFP risks falling behind its peers in other areas such as Islamic social finance.¹⁰ A clear strategy, strong leadership, specialist expertise, resources, patience and an acceptance of possible failure are all required if WFP is to take a more proactive leadership role in exploring and accessing innovative financing.

¹⁰ Islamic social finance is not new, but it is a relatively untapped source of funding for the international humanitarian community, particularly for United Nations agencies. It is covered here under the heading of innovative finance.

23. WFP's participation in joint programming and resource mobilization, as well as its willingness to engage in United Nations reform processes, are in evidence but have not yet generated significant funding. More significant impact can be expected as the reforms gather speed, which shows the need for sustained WFP engagement in the processes.
24. WFP has taken considerable steps to improve how it works, introducing innovations for addressing food insecurity and malnutrition, improving efficiency and partnering more effectively with local and national actors. These efforts have generally been appreciated by external stakeholders but have not yet resulted in more or different funding.
25. Investments in the development and use of tools has given WFP good visibility with regard to incoming contributions, forthcoming funding and predicted gaps. New fundraising tools, including digital platforms for individual giving, have the potential to help WFP to achieve its private fundraising ambitions.
26. Capacity gaps exist within WFP that prevent it from attracting more adequate and appropriate funding. Country offices are stretched, particularly smaller ones, and require additional support from regional bureaux and headquarters, especially when it comes to strengthening partnerships and accessing development and private sector funding. Approaches that seek to clarify how WFP's existing financing contributes to change in areas such as gender and climate change, such as the gender-responsive budgeting exercise, are positive. However, a lack of capacity related to specific themes and cross-cutting issues has hampered WFP's ability to attract specialized funding.

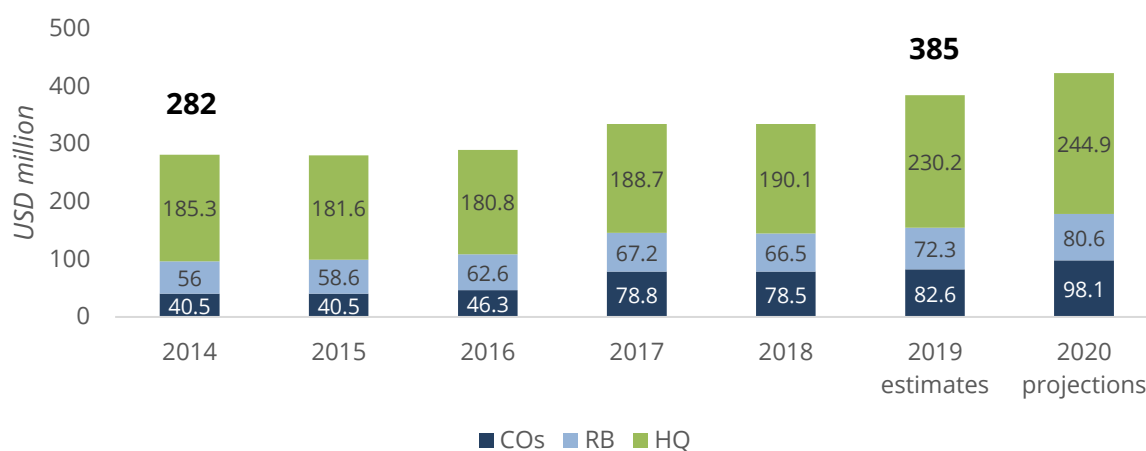
Evaluation question 3: To what extent has the move to the IRM helped or hindered the mobilization of adequate and appropriate resources and what opportunities are there for the future?

27. The IRM has helped WFP to better articulate its ambitions from activity to outcome level and has brought more cohesion to the narrative regarding WFP's dual mandate. While donors were generally positive about CSPs, the plans have not sparked funding changes because of other contributing factors. Expectations among some at WFP that the IRM would result in more comprehensive donor support for the organization's work in emergencies, resilience and development have not been realized, and the resulting mismatch with donor expectations may be unhelpful to the way WFP partners with donors.
28. WFP has not yet experienced the expected increases in unearmarked and multi-year funding and their related benefits in terms of flexibility, continuity and predictability. Such changes take time and are influenced by different factors, many beyond the control of WFP. Country offices have taken various steps to attract additional resources and create flexibility within existing budgets.
29. The WFP Strategic Plan (2017–2021) sets the direction for the organization and provides a line of sight for the preparation and implementation of CSPs. Improvements in WFP's ability to report on results and the impact of its work, as well as greater willingness on the part of donors to reduce ad hoc and specific reporting requirements, would help WFP demonstrate what it can contribute in different contexts, making the case for more and better funding in the future.
30. Securing financing on behalf of governments in support of national development priorities has not been a major focus of WFP's work and such efforts are largely undocumented. Looking ahead, clearer targets and indicators for leveraging funding to contribute to the SDGs on behalf of recipient governments will provide more direction for the organization.

Evaluation question 4: To what extent do WFP's internal resource allocation mechanisms help meet the organization's priority needs on time?

31. WFP's internal resource allocation mechanisms are intended to ensure funding for core functions and strategic initiatives and to limit the negative effects of temporary funding shortfalls on operations and programmes. Allocation decisions also help inform resource mobilization actions. The funding needs of WFP are broadly aligned with its strategies and plans but there is a lack of strategic guidance on what to prioritize within those needs when communicating with donors. Evidence of urgent humanitarian need, combined with limited resources and donor restrictions, has ensured funding for large-scale emergencies, whereas smaller and less visible crises and resilience and development activities face significant funding shortfalls. Gaps have been somewhat alleviated by internal allocation mechanisms but not on the scale necessary to address imbalances in funding. Coupled with dependence on government donors, the funding model by its nature has allowed donor preferences to influence prioritization, with funding driving strategy rather than the other way around.
32. Adjustments in the PSA budget have resulted in moderately more funding going to country offices and a proportional decrease in headquarters allocations, in line with agreed priorities (figure 7). Where funding for particular headquarters departments has increased, it has generally reflected corporate priorities. Where gaps have emerged, they have been filled by short-term and unsustainable critical corporate initiatives funded from the PSA Equalization Account or earmarked contributions from donors.

Figure 7: Nominal programme support and administrative budget allocations by organizational level

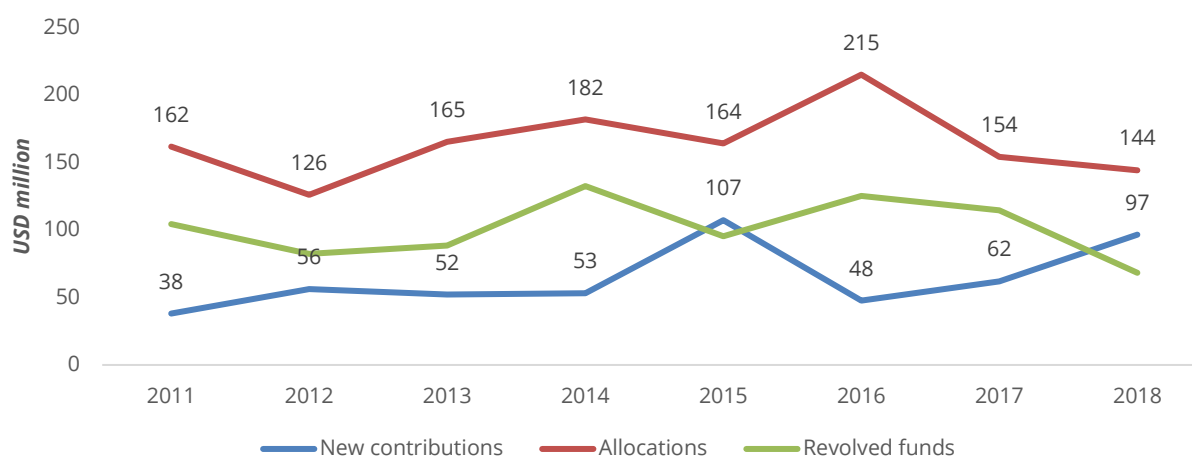


Source: WFP management plans

33. The inability of WFP to apply flexible indirect support cost rates has made it less competitive than other organizations, including when attempting to access innovative financing. This is likely to become increasingly relevant as discussions on value for money within the funding chain continue and affect donor decision making.
34. WFP's advance financing mechanisms have facilitated more timely and effective responses and enhanced the operational effectiveness of the organization. Advance financing has worked more effectively for large and highly visible emergencies with clear life-saving imperatives, and less so for small-scale crises and resilience and development activities. The Immediate Response Account has faced liquidity challenges (figure 8), and its scope does not adequately cover the preparedness and anticipatory action elements of WFP's emergency work or mandated common services. The Global Commodity Management Facility enables efficiency gains through the supply chain (for example by reducing lead

time). Clearer communication from the SRAC and more transparent decision making criteria are required to increase accountability for advance financing and allocation decisions.¹¹

Figure 8: Contributions, allocations and revolved funds for the Immediate Response Account



Source: WFP. 2019. Report on the utilization of WFP's advance financing mechanisms during the period 1 January–31 December 2018 (WFP/EB.A/2019/6-H/1).

35. The forthcoming bottom-up strategic budgeting exercise is an opportunity for WFP to fundamentally reassess how it allocates its internal resources, ensuring adequate and appropriate levels of funding for recalibrated roles and responsibilities across the organization.

Conclusions

36. **Conclusion 1:** WFP has performed well within a constrained funding environment in terms of the volume of funding that it has raised. However, the trend in total funding masks disparities between large, well-funded emergencies and other crisis-affected situations, as well as WFP's portfolio of resilience and development work. Donor commitments to provide more predictable and flexible funding have not yet had an impact on WFP's funding, which still operates on short-term funding cycles with little room for internal prioritization. The organization's ability to access long-term development financing at scale is hampered by a lack of expertise and strong competition, coupled with more stringent, time-consuming and unfamiliar application processes.
37. **Conclusion 2:** WFP's funding model is risky and not fully suited to the changing funding environment in which it operates. Total dependence on voluntary contributions (predominantly provided by a small number of government donors) means that WFP is particularly vulnerable to donor perceptions of priorities within its mandate, short-term donor funding cycles and shifts in donor budgets and priorities. An emphasis on funding from government sources rather than private donors has further limited WFP's flexibility, and future ambitions for growing private sector contributions are constrained by the level of investment that the organization (in particular the Executive Board) is prepared to make. For innovative financing, it will be important for WFP to engage in a structured way – at the policy and technical levels – to fully capitalize on opportunities to fill the funding gap. The architecture of WFP is largely appropriate for ensuring adequate funding, but various WFP offices have developed organically rather than by design, and some funding efforts have been highly dependent on specific individuals.

¹¹ Work is under way to revise the SRAC criteria and processes to ensure a more standardized and transparent approach.

38. **Conclusion 3:** The IRM has heralded a shift in WFP's ambitions, changing the way that it describes its role and improving transparency. Funding, however, has not yet fully followed suit. Differing internal and external views on relative funding priorities persist, particularly between funding for large-scale emergencies and WFP's other work. Communication and marketing efforts predominantly centre around WFP's better-known role in large-scale emergency response. The perception among some that promises about flexible and predictable funding for the humanitarian-development-peacebuilding nexus have been broken, as well as increasing donor expectations for detailed and specific reporting, have contributed to an unrealistic set of expectations on the part of both WFP and donors. Some unexpected problems require attention, including through efforts to link resources to results and investments in evidence generation. Internal resource allocation decisions also need to be more timely and transparent.
39. **Conclusion 4:** WFP's funding ambitions are not entirely realistic and are often not backed up by commensurate efforts to achieve them. The funding gap dominates communications with donors and emphasizes dollars over people. The ambition to reach 80 or 100 percent of WFP's needs-based funding target is somewhat balanced by efforts to determine budgets based on forecasted contributions at the country level, but this has not yet translated into a more realistic prioritization of top-line, strategic objectives. The rhetoric regarding flexible funding has alienated some donors by failing to acknowledge the value of earmarked contributions. Finally, there is no clear consensus within WFP on the financial requirements for the organization's development work, and conflicting messages are communicated regarding the funding gap that it seeks to fill, including whether it does so solely for its own development-oriented ambitions or also to stimulate broader financing for national actors.
40. **Conclusion 5:** Internal capacity for partnerships, resource mobilization and related functions is limited, particularly at the country office level. Fundraising falls within the responsibilities of many WFP staff, an approach that has largely been effective but has required a coordinated and coherent approach. More oversight, leadership and clarity on relative priorities is required in order to maximize efforts and minimize the risk of WFP competing against itself for the same funding sources. Professionalization of the partnerships and resource mobilization function would help to build a stronger cadre of experts within the organization. A shortage of expertise on specific topics, such as gender and climate change, and on innovative financing has prevented WFP from developing new partnerships, tapping into dedicated resources on particular themes and accessing new funding sources at scale. Strong systems are in place within WFP to track, analyse and manage available resources and gaps, with more potential for them to be used strategically to identify and capitalize on emerging funding opportunities.
41. **Conclusion 6:** Because WFP has limited opportunities to allocate resources internally, its ambition to have strategic priorities drive funding decisions is frustrated. The relative hierarchy of corporate priorities is not always clear, increasing the likelihood that funding will drive strategy rather than the other way around. Advance financing mechanisms have been critical in allowing WFP some control over its resource priorities, but large-scale emergencies have been prioritized. In addition, challenges related to funding for the Immediate Response Account, and limited scope of the account, mean that it does not provide the full amount of advance financing needed for WFP's emergency work. Core function resource requirements deserve to be reviewed in the light of WFP's growth and organizational changes, as is planned for 2020, along with a reconsideration of the flexibility of the indirect support cost rate.

Recommendations

Recommendation 1	Responsibility	Implementation deadline
<p>WFP should take a collaborative approach to developing its next strategic plan that allows the organization to clearly articulate with one voice its full mandate and priorities for ending hunger and improving nutrition and act accordingly.</p> <p>a) The process of developing the next strategic plan, as well as the next plan itself, should provide direction on the link between what WFP wants to achieve and the funding ambitions, priorities and approaches of the organization.</p> <p>b) The next strategic plan should:</p> <ul style="list-style-type: none"> • stress the importance of maintaining WFP's capacity to respond to all types of emergencies and increasing related funding, with objectives for funding preparedness, anticipatory action and response, including in contexts that receive less attention. • elaborate new approaches to working in partnership in protracted crises and for resilience building, including with international financial institutions in middle-income countries, to highlight the operational and funding requirements of WFP's work at the nexus of humanitarian, peacebuilding and development. • include a coherent and holistic narrative regarding WFP's contributions to sustainable development and related funding ambitions that integrate advancements in various programming approaches. 	<p>Assistant Executive Director, Programme and Policy Development Department, with the collaboration of the Office of the Deputy Executive Director and the Oversight and Policy Committee</p>	<p>November 2020</p>
<p>Rationale: Cultural changes at WFP that began with the shift from food aid to food assistance are still incomplete. WFP needs to present a unified narrative and act in a unified way in support of its full mandate to better secure funding for all components of its work. The development of the next strategic plan is an opportunity to reinforce why and how WFP can contribute to crisis response, resilience building and work to address root causes. Establishing clear relative funding priorities can provide direction for resource mobilization and enhance coherence and coordination.</p> <p>Linked to conclusions 3 and 4</p>		

Recommendation 2	Responsibility	Implementation deadline
<p>WFP should strengthen the foundation for financing its work in changing lives and for financing national efforts to achieve the SDGs. To that end it should:</p> <ul style="list-style-type: none"> a) develop a consolidated plan for and approach to accessing development financing, including clarity on potential sources and requirements, and investigate options for substantially different financing models. b) invest in the organizational capacity needed to better position itself and enhance partnerships with development funders and engage in development forums globally and at the regional and country levels, including through greater investment in policy advice, evidence generation and capacity strengthening. c) clarify its ambition for brokering direct development financing for national partners aligned with WFP Strategic Result 7 and SDG 17.3 and for institutionalizing the approach, including through methods for documenting its contributions to the indirect results of such partnerships, funding this element of its work and tracking forecasted and actual funding. 	<p>Assistant Executive Director, Partnerships and Advocacy Department, with the collaboration of the Programme and Policy Development Department, regional bureaux and country offices</p>	<p>February 2021</p>
<p>Rationale: WFP's culture and systems are largely oriented towards short-term humanitarian funding, not the long-term perspectives and patience required to access development funds. WFP needs to redouble its efforts to access development financing to support its work to change lives. This will require training and support for country office teams on how to position and communicate WFP's holistic CSP approach and more robust evidence on how WFP approaches in resilience and development contribute to positive outcomes. Better understanding and capacity in country offices and other parts of WFP is also needed for partnering with host government development actors and key ministries (e.g. finance and planning), international financial institutions and other development donors to fund WFP's work and to broker access to financing for national partners.</p> <p>Linked to conclusions 1, 3, 4 and 5</p>		

Recommendation 3	Responsibility	Implementation deadline
<p>WFP should continue to fully explore, implement and invest in strategies for diversifying its sources of funding, including by:</p> <ul style="list-style-type: none"> a) ensuring full and sustained leadership and governance support for the implementation of the new private sector strategy, including by aligning marketing efforts with detailed management implementation plans and by considering more ambitious targets based on demonstrated performance. b) developing a strategy and structure and allocating resources for more proactive efforts to access innovative financing. c) stepping up engagement with other United Nations organizations to capitalize on opportunities for joint programming and resource mobilization, including through joint applications for humanitarian and development-oriented pooled funding. 	<p>Assistant Executive Director, Partnerships and Advocacy Department, supported by the Director of Private Partnership and Fundraising Division with the collaboration of WFP global offices, regional bureaux and country offices</p>	<p>September 2020</p>

Rationale: Diversifying WFP's funding sources is critical to securing more flexible funding and improving the ability of leadership to ensure that resource allocation is better balanced against the organization's strategic priorities. To successfully diversify its funding, WFP will need to be more proactive. Sustained investments are needed to ensure the success of WFP's efforts to increase individual giving, access to innovative financing and joint resource mobilization.

Linked to conclusions 2 and 5

Recommendation 4	Responsibility	Implementation deadline
<p>WFP should increase and sustain organizational investments in critical resource mobilization and communications, marketing and advocacy personnel to maximize its ability to maintain existing funding and secure more diverse, adequate, flexible and predictable funding. To that end it should:</p> <ul style="list-style-type: none"> a) develop human resource strategies and funding arrangements for partnerships, reporting, communications, advocacy and marketing functions at all levels of the organization. b) invest in national staff in partnership functions and specialized staff with expertise in innovative financing, marketing and advocacy, thematic and cross-cutting issues and proposal development. 	<p>Assistant Executive Director, Partnerships and Advocacy Department, with the collaboration of the Resource Management Department and especially the Human Resources Division, the Office of the Deputy Executive Director and the Programme and Policy Development Department</p>	<p>June 2021</p>
<p>Rationale: Investment in staff with roles in raising funds is necessary to diversify the sources and increase the amount of funding. Capacity for resource mobilization, communications, advocacy, marketing and reporting is currently under-resourced in many country offices. Double-hatting, frequent rotation and the use of generalists have had negative effects on the continuity of relationship management and on WFP's ability to access specialized and thematic funding.</p> <p>Linked to conclusions 1 and 5</p>		

Recommendation 5	Responsibility	Implementation deadline
<p>WFP should strengthen its organizational capacity by investing in the necessary tools, products, processes and protocols for better services related to funding. To that end it should:</p> <ul style="list-style-type: none"> a) institute coordination processes and protocols for engaging with donors and for capturing intelligence on donors and opportunities in Salesforce, with clear roles and responsibilities, to ensure a disciplined approach to presenting organizational priorities for funding. b) develop communication, advocacy and marketing tools and initiatives based on evidence of programme effectiveness, including more effective communication of the added value of WFP work beyond emergency response. 	<p>Assistant Executive Director, Partnerships and Advocacy Department, with the collaboration of global offices, regional bureaux and country offices</p>	<p>December 2020</p>

Recommendation 5	Responsibility	Implementation deadline
<p>c) strengthen management oversight of grant compliance requirements by country offices, with support from headquarters, regional bureaux and global offices.</p> <p>d) maintain high levels of engagement in global humanitarian and development processes and forums to represent WFP contributions and commitments and continue work with donors to advocate adequate, predictable and flexible funding with reasonable reporting and other compliance requirements.</p>		
<p>Rationale: Further investments in organizational capacity and processes are needed to ensure a disciplined approach to presenting organizational priorities for funding and to prevent internal competition. As WFP seeks to diversify funding sources and access development financing it will need to improve how it presents evidence of its effectiveness and ensure compliance with grant requirements while continuing to engage with donors on ways to improve the flexibility of funding and reduce the burdens of donor requirements. Linked to conclusions 3 and 5</p>		

Recommendation 6	Responsibility	Implementation deadline
<p>WFP should redouble efforts to achieve the planning, accountability, transparency and resource management ambitions envisioned in various components of the IRM. To that end it should:</p> <p>a) continue the process of aligning CSP planning cycles with United Nations sustainable development cooperation framework (UNSDCF) processes and supporting the design of next-generation CSPs to ensure that they are coherent, evidence-based and aligned with national development goals and financing priorities and that they incorporate resource mobilization and partnership considerations.</p> <p>b) identify how the resilience and development targets in CSPs are reflected in global resource mobilization targets, ambitions and communications.</p> <p>c) continue work on tools and guidance to demonstrate the connection between resources and results by better defining corporate indicators, measuring cross-cutting results (particularly with regard to gender equality and resilience) and minimizing the opaque effects of bundling activities.</p> <p>d) review the challenges to country office resource management flexibility posed by activity-level earmarking based on lessons learned from first-generation CSPs and provide guidance for the next generation of CSPs.</p> <p>e) review guidance and practice regarding specialized donor reporting, including related budgeting approaches, and incorporate information in Salesforce to ensure monitoring and reporting costs are included in budgets.</p>	<p>Assistant Executive Director, Programme and Policy Development Department, with the cooperation of the Budget and Programming Division, the Performance Management and Reporting Division, the United Nations System and Multilateral Engagement Division, regional bureaux and country offices</p>	<p>June 2021</p>
<p>Rationale: The development of the next generation of CSPs provides WFP with an opportunity to further align its planning with that of other actors. Integrating CSP formulation with positioning and partnership efforts will be pivotal in strengthening the basis for improved funding. Work under the IRM to demonstrate transparency and accountability has shown results but needs to remain an area of focus along with adequate budgeting for donor requirements on reporting to avoid problems with such reporting becoming an under-funded mandate. Linked to conclusions 1 and 3</p>		

Recommendation 7	Responsibility	Implementation deadline
<p>WFP should improve the effectiveness of its corporate resource allocation processes and decisions in order to facilitate continuous, transparent and timely prioritization to meet its strategic needs. To that end it should:</p> <ul style="list-style-type: none"> a) invest in the thorough implementation of the bottom-up strategic budgeting exercise, which should include consideration of all headquarters and regional bureau functions and costs, including special accounts and trust funds. b) develop a mechanism for articulating the relationship between the hierarchy of corporate priorities and resource allocation from all funding sources as part of developing the annual management plan. c) provide staff and governance with transparent and timely information on the allocation decisions of the SRAC and the rationale for prioritization. d) continue timely decision making on investment case proposals (as initiated in 2020) to allow adequate time for implementation. e) develop a system for tracking and reporting on the use of resources allocated to critical corporate initiatives and other investment cases and ensure that this performance information is used in future funding decisions. f) provide the Executive Board with a detailed analysis of the implications of an inflexible indirect support cost rate, taking into account system-wide discussions on aligning practices, competition and partnership considerations, to facilitate more formal Executive Board feedback on indirect support cost flexibility proposals. 	<p>Assistant Executive Director, Resource Management Department, with the collaboration of the Chief of Staff and the Deputy Executive Director</p>	<p>September 2021</p>
<p>Rationale: Corporate resource allocation processes are a critical means of demonstrating support for strategic priorities, funding core functions of the organization and investing in change initiatives to improve efficiency and effectiveness. At present the core requirements of the organization exceed the funding for the PSA budget, leading to ad hoc approaches to donors and a lack of a consolidated presentation of all core costs. SRAC decisions have not always been communicated and investments have not been systematically monitored. The indirect support cost rate has been fixed, posing some challenges with regard to accessing and competing for certain funding.</p> <p>Linked to conclusion 6</p>		

Recommendation 8	Responsibility	Implementation deadline
<p>WFP should strengthen its advance financing mechanisms so that they ensure predictable and timely resourcing for the full scope of WFP's work, including emergency (preparedness, anticipatory action and response), resilience and development activities. To that end it should:</p> <ul style="list-style-type: none"> a) ensure the availability of internal resources for the start-up of resilience and development activities until additional external funding can be catalysed and sustained, recognizing the longer period required for accessing external financing for development-related work. b) complete the review of the Immediate Response Account and consider establishing one consolidated and regularly replenished emergency advance financing facility that covers the full scope of WFP's work related to preparedness, anticipatory action and emergency response, as well as the advance financing needs of mandated common services. c) develop options for providing advance financing for launching common mandated services. 	<p>Assistant Executive Director, Resource Management, with the collaboration of the Office of the Deputy Executive Director and the Programme and Policy Development Department</p>	<p>February 2021</p>
<p>Rationale: WFP's advance financing mechanisms are a critical tool for enabling the timely implementation of programmes and operations. Addressing current gaps in these mechanisms related to resilience and development activities, preparedness, anticipatory action and response, and common mandated services would further ensure that WFP's work is not interrupted by temporary funding gaps.</p> <p>Linked to conclusion 6</p>		

Disclaimer

42. The designations employed and the presentation of material in the map in figure 2 do not imply the expression of any opinion whatsoever on the part of WFP concerning the legal or constitutional status of any country, territory or sea area or concerning the delimitation of frontiers. A dispute exists between the Governments of Argentina and the United Kingdom of Great Britain and Northern Ireland concerning sovereignty over the Falkland Islands (Malvinas). A dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties. The final boundary between the Sudan and South Sudan has not yet been determined.

Acronyms

CSP	country strategic plan
IRM	Integrated Road Map
PSA	programme support and administrative (budget)
SDG	Sustainable Development Goal
SRAC	Strategic Resource Allocation Committee