

**Extracts of the WFP  
management plan (2022-2024)**



**Second informal consultation**

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**World Food Programme  
Rome, Italy**

## Section I: Introduction

### Reader's guide

1. The WFP management plan (2022–2024) presents a summary of WFP's planned programme of work for 2022–2024 and the budgetary support required to implement it in 2022. The figures include projected operational needs and forecasts of the resources available to meet those needs. The "baseline" budget presents the programme support and business operations resources required to implement the global programme of work. The programme support and administrative (PSA) budget – approved annually by the Executive Board – is a subset of the baseline budget and is funded from the indirect support costs (ISC) recovered from contributions in accordance with the full cost recovery policy.
2. The executive summary and draft decision and the introduction to each section explain the logic of the management plan and highlight the main figures. The body of each section provides more detail.

### Structure of the document

3. The management plan for 2022–2024 comprises an executive summary, a draft decision, eight sections and seven annexes.
4. The eight sections are as follows:
  - *Section I: Introduction.* This section outlines WFP's planning given the global economic and political situation and the continuing effects of the coronavirus disease 2019 (COVID-19) pandemic in already fragile settings.
  - *Section II: Funding context and resourcing assumptions.* This section sets out the current funding situation and provides details on projected contributions for 2022 and 2023 and an overview of resourcing trends. It also outlines WFP's plans for diversifying its funding base while pursuing innovative funding modalities for greater efficiency.
  - *Section III: Operational requirements and provisional implementation plan for 2022.* This section provides an overview and analysis of the operational requirements for 2022 and discusses a provisional implementation plan based on projected available resources. It also provides details on services provided by WFP to the humanitarian community in accordance with its mandate, policies, activities and comparative advantages.
  - *Section IV: Bottom-up strategic budgeting exercise process and baseline prioritization.* This new section describes the objectives of the bottom-up strategic budgeting exercise (BUSBE) launched in 2020 and its impact on preparation of the management plan for 2022–2024. In particular, the section will discuss the shift to preparation of a holistic "baseline" budget, to be funded from the PSA budget and other sources.
  - *Section V: Programme support and administrative budget.* This section presents the proposed PSA budget for 2022 and the proposed indirect support cost rate. The PSA budget is presented in terms of the appropriation lines approved by the Board in 2017.<sup>1</sup>

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<sup>1</sup> [WFP/EB.2/2017/5-A/1/Rev.1.](#)

- *Section VI: Corporate services financing mechanism.* This section describes the revolving financing mechanism that enables WFP to provide internal services to headquarters divisions and country offices economically and efficiently. A proposed increase in the financing mechanism is also explained.
  - *Section VII: Status of reserves.* This section provides an overview of reserves, including the PSA equalization account and the unearmarked portion of the General Fund. A proposed drawdown of the PSA equalization account to support a new multi-year initiative and continuation of a previously approved multi-year initiative is presented to the Board for approval. The proposal takes into account the need to mainstream critical functions and to respond to requests for enhanced oversight and accountability.
  - *Section VIII: Management performance measurement.* This section presents the management key performance indicators (KPIs) and their components, with baselines and targets for measuring progress in a number of areas.
5. The annexes include details of the amounts in the PSA budget, a review of the management plan for 2021–2023 and the evaluation workplan for 2022–2024.

## Organizational context

6. In 2022, WFP will start to implement a new strategic plan and corporate results framework (CRF) for 2022–2026, which have not been finalized at the time of writing of this management plan.<sup>2</sup> WFP's management plans over the next five years will be oriented to the guiding principles outlined in the strategic plan, which call for interventions that are people-centred, based on humanitarian principles, context-specific, country-owned, characterized by the integration of programmes across the humanitarian–development–peace nexus, risk-informed and evidence-driven.
7. The new strategic plan will emphasize that as countries experience more intense and frequent shocks and stresses WFP will continue to prioritize saving lives in emergencies in line with humanitarian principles. WFP's expertise, agility, operational presence and scale of response make it a leader in responding to emergencies. The organization is reaching an increasing number of people with a portfolio of diverse modalities, including in-kind food transfers, cash-based transfers, capacity strengthening activities and services, allowing WFP and its partners to deliver and facilitate food assistance while saving and changing people's lives.
8. WFP continues to engage actively in the reform of the United Nations development system at all levels, promoting coordinated efforts to achieve humanitarian and development outcomes through its second-generation country strategic plans (CSPs) and work with United Nations partners. Where possible, WFP will support governments by leading reform processes, including through improved business operations at the global and country levels and the development of a revised common country analysis and the new sustainable development cooperation frameworks.
9. WFP is committed to saving lives and changing lives at the humanitarian–development–peace nexus through its corporate priority of programme excellence. Attaining zero hunger requires coordinated action by development and peace actors, governments and the private sector to address emergency needs while tackling structural vulnerabilities and strengthening capacities and systems where possible.

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<sup>2</sup>The WFP strategic plan (2022–2026) will be submitted to the Board for approval at the 2021 second regular session, at which this management plan will also be presented.

10. In response to this complex organizational context, the management plan for 2022–2024 builds on the management plan for 2021–2023 and implementation of that plan to date. In particular, it reflects the results of the BUSBE to determine the funding requirements for WFP’s programme support and business operations and the optimal sources for meeting those requirements at the 2022 projected funding level of USD 8.4 billion. These efforts ensure that WFP’s internal resource allocation processes align with its corporate priorities, are sufficient to support programme needs and are used efficiently. Moreover, support requirements take into account the budget implications of new policies approved in 2021, expected improvements in efficiency resulting from advances in digital transformation and WFP’s continued focus on its six corporate priorities:
- leadership in emergencies;
  - funding and partnerships for zero hunger;
  - excellence in programming;
  - digital transformation;
  - unlocking WFP’s potential: simplification and efficiency; and
  - people management.
11. In June 2020, WFP reorganized its senior leadership structure, notably by elevating the position of the Senior Advisor for Workplace Culture to the level of Assistant Secretary-General. The change underscores the importance that WFP places on implementing the recently approved people policy, including its emphasis on WFP’s duty of care to its employees and on strengthening its workplace culture to create an environment in which action is taken to prevent all forms of abuse and where no form of harassment, abuse of power and discrimination is tolerated.

## Global economic and political context

12. Less than a decade remains in which to achieve Sustainable Development Goal (SDG) 2, zero hunger, but hunger continues to rise around the world. Following an initial drop at the beginning of the millennium, the number of people who are chronically hungry has grown since 2015.<sup>3</sup> According to *The State of Food Security and Nutrition in the World 2021*, an estimated 720 to 811 million people were undernourished in 2020, representing an estimated increase of between 118 and 161 million people since 2019.<sup>4</sup>
13. Recent estimates indicate that 270 million people in the 80 countries where WFP operates are acutely food-insecure or at high risk of food insecurity in 2021.<sup>5</sup> Furthermore, in 2021 41 million people in 43 countries were at risk of famine.<sup>6</sup> Conflict, economic shocks – including those resulting from the COVID-19 pandemic – and weather extremes are the main drivers of acute food insecurity.

<sup>3</sup> Chronic hunger is measured by the prevalence of undernourishment.

<sup>4</sup> Food and Agriculture Organization of the United Nations (FAO), International Fund for Agricultural Development (IFAD), United Nations Children’s Fund (UNICEF), WFP and World Health Organization (WHO). 2021. *The State of Food Security and Nutrition in the World 2021: Transforming food systems for food security, improved nutrition and affordable healthy diets for all*.

<sup>5</sup> Food Security Information Network (FSIN) and Global Network Against Food Crises. 2021. *Global Report on Food Crises – 2021*. Acute food insecurity is defined as phase 3 or above in the Integrated Food Security Phase Classification (IPC)/cadre harmonisé (CH) analysis or comparable sources. Famine is defined as phase 5 of the IPC/CH scale.

<sup>6</sup> WFP. 2021. *WFP Global Operational Response Plan 2021. Update #2*. June 2021.

14. Recent projections indicate that 660 million people could still be facing hunger in 2030, 30 million more people than were expected before COVID-19 broke out in 2020.<sup>7</sup> In addition, the pandemic has widened the gender gap: the prevalence of moderate or severe food insecurity was 10 percent higher among women than men in 2020, a rise from 6 percent in 2019.<sup>8</sup>

## Economic outlook

15. Although the global economy contracted by 3.5 percent in 2020, growth of 5.6 percent is forecast for 2021, the strongest post-recession growth rate in 80 years.<sup>9</sup> However, global output is still expected to be 2 percent below pre-pandemic projections by the end of 2021. While recovery is expected to continue into 2022 at a more moderate global growth rate of 4.3 percent, global output is still expected to remain at 1.8 percent below pre-pandemic projections. This reduced growth will disproportionately affect people with low incomes as they tend to use large portions of their income to buy food.
16. Compared with recoveries from previous global recessions, the current recovery is notably uneven. In two-thirds of developing and emerging economies, pandemic-induced income losses will not be recovered by 2022; in low-income countries the slowest growth of the past two decades is expected, partly reflecting the slow pace of vaccination against COVID-19, and 2022 output is projected to be 4.9 percent below pre-pandemic projections.<sup>10</sup>
17. Across the globe, the pandemic severely disrupted labour markets, and working hours equivalent to 255 million full-time jobs were lost in 2020. The International Labour Organization (ILO) predicts that the projected employment growth for 2021 to 2022 will be insufficient to close the gaps created by the crisis. Global unemployment is projected to be 5.7 percent in 2022, a level last seen in 2013.<sup>11</sup>
18. The unprecedented international economic crisis precipitated the first increase in global extreme poverty in two decades. The World Bank estimates that the pandemic pushed an additional 97 million people into extreme poverty in 2020, bringing the total to 732 million people.<sup>12</sup> For 2021 the number of people living in extreme poverty is projected to decrease slightly, to 711 million people. This outlook, which is subject to significant uncertainty, is somewhat more optimistic than earlier forecasts made during the pandemic as it reflects a poverty reduction rate for 2020–2021 that is close to pre-pandemic rates; however, global poverty is still much higher than it was before the pandemic.

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<sup>7</sup> FAO, IFAD, UNICEF, WFP and WHO. 2021 *The State of Food Security and Nutrition in the World 2021: Transforming food systems for food security, improved nutrition and affordable healthy diets for all*.

<sup>8</sup> Idem.

<sup>9</sup> World Bank 2021. *Global Economic Prospects, June 2021*.

<sup>10</sup> World Bank 2021. *Global Economic Prospects, June 2021*.

<sup>11</sup> ILO. 2021. *World Employment and Social Outlook: Trends 2021*.

<sup>12</sup> World Bank. 2021. *Updated estimates of the impact of COVID-19 on global poverty: Turning the corner on the pandemic in 2021?*

19. The world has taken extraordinary measures to safeguard lives and livelihoods during the COVID-19 crisis, at unprecedented cost. Fiscal support and monetary measures in response to the economic crisis totalled USD 26 trillion, or nearly 30 percent of global gross domestic product (GDP).<sup>13</sup> Advanced economies bore the majority of the cost, placing their budgets under pressure. In developing economies, a lack of access to vaccines, combined with a large debt burden, is expected to severely constrain economic recovery. Globally, public debt now stands at 100 percent of GDP, while 56 percent of low-income countries are currently in or at high risk of debt distress.<sup>14</sup> Currencies in many countries have come under pressure, with several countries experiencing rapid currency depreciation, adding to domestic inflationary pressures.
20. In 2021, there has been a gradual but persistent increase in international food prices. In May 2021, the Food and Agriculture Organization of the United Nations (FAO) Food Price Index rose for the twelfth consecutive month to its highest level since September 2011.<sup>15</sup> By July 2021, despite dropping somewhat since May 2021, the index remained 31 percent higher than its level in the same period of 2020. In June 2021, 14 countries experienced year-on-year food price inflation of more than 15 percent.<sup>16</sup> Should the upward trend in international food prices continue, food security, particularly in food-importing countries, will decline as local food prices are pushed up, reducing people's purchasing power and threatening their economic access to food. As of July 2021, energy commodity prices had also risen in nine of the ten previous months, although the World Bank projects that crude oil prices in 2022 will be on average lower than the 2019 average.<sup>17</sup>

## **Insecurity, conflict and displacement**

21. Conflict and violence are among the main drivers of food insecurity around the world. Global peace, as measured by the 2021 Global Peace Index, has deteriorated in nine of the last 13 years.<sup>18</sup> The Global Report on Food Crises estimated that of the 155 million people in 55 countries experiencing acute food insecurity in 2020, nearly one third – 99 million people in 23 countries – were driven into food insecurity primarily by conflict or insecurity. Conflict worsened in several countries, driving displacement, depriving people of their livelihoods, disrupting markets, trade and crop production and contributing to local food price increases. Insecurity also constrained humanitarian access. Protracted conflict was the main cause of six of the ten worst food crises in 2020. In countries where conflict was identified as the main driver of acute food insecurity in 2019, it continued to be the main driver in 2020.<sup>19</sup>
22. Population displacement has risen steadily for nearly a decade; by the end of 2020, the number of forcibly displaced people reached a record high of 82.4 million, double the number in 2010. This includes 48 million internally displaced persons, 26.4 million refugees, 4.1 million asylum seekers and 3.9 million Venezuelans displaced abroad.<sup>20</sup> Developing countries bear the brunt of displacement, hosting 86 percent of people displaced across borders.<sup>21</sup>

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<sup>13</sup> International Monetary Fund (IMF). 2021. [Questions and Answers: The IMF's Response to COVID-19](#).

<sup>14</sup> IMF. 2021. [IMF Seminar: Averting a COVID-19 Debt Trap](#).

<sup>15</sup> FAO. 2021. [World Food Situation. FAO Food Price Index](#).

<sup>16</sup> WFP. 2021. Global Market Monitor: Food Prices. <https://dataviz.vam.wfp.org/global-coverage-global-market-monitor-apr-2021>.

<sup>17</sup> World Bank. 2021. [Commodity Markets Outlook](#). Accessed July 2021.

<sup>18</sup> Institute for Economics & Peace. 2021. [Global Peace Index 2021: Measuring peace in a complex world](#).

<sup>19</sup> FSIN and Global Network Against Food Crises. 2021. [Global Report on Food Crises – 2021](#).

<sup>20</sup> Venezuelans displaced abroad refers to persons of Venezuelan origin who are likely to be in need of international protection under the criteria contained in the Cartagena Declaration on Refugees but who have not applied for asylum in the country in which they are present.

<sup>21</sup> Office of the United Nations High Commissioner for Refugees (UNHCR). 2021. [Global trends. Forced displacement in 2020](#).

## Climate

23. The world is experiencing a rising number of climate-related disasters. Since the early 1990s, the number of weather-related disasters such as storms, floods and droughts has doubled in low- and middle-income countries, reaching an average of 334 events annually between 2000 and 2019.<sup>22</sup> In 2020, 30 million people – the highest number since 2011 – were internally displaced owing to weather-related disasters.
24. The systems that produce, process and deliver food for people can be damaged by extreme weather events and weakened by climatic stressors such as changing seasons or water scarcity. Fifty percent of the world's population is expected to live in water-stressed regions by 2050.<sup>23</sup> Climate shocks and variability can also exacerbate natural resource constraints, which can increase social tensions and conflict and cause forced displacement, thereby intensifying hunger. Of the 20 countries most vulnerable to climate change, 12 are affected by conflict.
25. From late 2020 to mid-2021, a La Niña event caused drought conditions in the Horn of Africa and parts of the Middle East and Central Asia. Below average rainfall in the Horn of Africa during the last two growing seasons has exacerbated food insecurity. Intense drought has affected Angola and Madagascar in 2021; the obliteration of croplands by large sandstorms in southern Madagascar has made the region extremely vulnerable to further natural hazards and is likely to have long-lasting consequences.
26. La Niña conditions are likely to return in late 2021 or early 2022. In the Horn of Africa, the result may be a third consecutive below average short-rains season in late 2021 and a drier than average Gu season in March–May 2022, which would contribute to the further deterioration of food security until late 2022 or early 2023. In Southern Africa La Niña conditions typically enhance seasonal rainfall and lead to improved crop and pasture yields, but they can also increase the risk of floods and tropical storms and cause the development of critical drought hot spots. In the Middle East and Central Asia, increased water deficits and reduced snow cover may result in reduced cereal production for the second year in a row. The implications of a new La Niña event will vary among WFP operations.

## International humanitarian assistance

27. In countries with advanced economies the measures that governments adopt to avoid economic collapse have increased the pressure on budgets. Recovery has been uneven: in poorer countries, vaccine roll-out has been slow and measures to stimulate the economy have been limited. Growing operational requirements in the wake of the pandemic have put more pressure on governments and humanitarian actors to mobilize resources, with an estimated 270 million people in the countries where WFP operates needing urgent food assistance in 2021. This could lead to a large disparity between the funds needed to assist food-insecure people in the coming years and the funding available.
28. While conflict and extreme weather events continue to be the main drivers of acute food insecurity worldwide, the COVID-19 pandemic is still putting significant pressure on food security and shaping WFP's operating environment. As new variants of the COVID-19 virus have emerged, the evolution of the pandemic is unknown, further adding to the uncertainty faced by WFP.

<sup>22</sup> United Nations Office for Disaster Risk Reduction (UNDRR) and Centre for Research on the Epidemiology of Disasters (CRED). 2020. *Human cost of disasters. An overview of the last 20 years 2000–2019*.

<sup>23</sup> International Committee of the Red Cross (ICRC). 2020. *When rain turns to dust. Understanding and responding to the combined impact of armed conflicts and the climate and environment crisis on people's lives*.



## Section II: Funding context and resourcing assumptions

### Overview

29. The global economic impact of the COVID-19 pandemic has placed increased pressure on WFP to mobilize resources for meeting escalating operational requirements. In 2021, given increased demand for WFP food assistance, WFP estimates that USD 14.3 billion<sup>24</sup> is required to tackle food insecurity. Following the record contribution revenue of USD 8.4 billion in 2020, the organization expects to receive a similar level of funding in 2021 and 2022, at USD 8.6 billion and 8.4 billion respectively. This forecast is based on extensive trend analysis, systematic engagement with a wide range of donors, and WFP's achievements in 2020 and 2021 in building strong partnerships and expanding and diversifying its donor base.
30. The positive forecast for 2021 and 2022 reflects sustained engagement and trust from most international partners, which continue to prioritize response to food insecurity during the gradual recovery of the global economy. As of 31 August, 67 percent of forecasted contributions, or USD 5.9 billion, was already confirmed, compared with 64 percent of the 2020 forecast confirmed by the same date last year. This is a strong indication that the estimate for 2021 is achievable. Although the domestic economies of some government donors will continue to experience fiscal constraints, thereby limiting growth in official development assistance, increasing efforts from other partners, private sector contributions, engagement with international financial institutions (IFIs), and stronger engagement in thematic funding opportunities (including climate financing) are expected to compensate for the shortfall.
31. Government donors account for 87 percent of WFP's forecasted contribution revenue for 2022. To maintain the strong commitment and expand WFP's portfolio of more than 90 government donors, the organization will continue to focus on its role as a trusted partner, engaging with governments to present its programmatic offering and needs. Bilateral, high-level consultations between WFP and donors will continue to be essential for obtaining strategic feedback, aligning priorities and actions, developing common advocacy objectives, and strengthening mutual understanding of needs and partnership prospects.
32. The pandemic continues to rage in many countries, threatening development gains and underscoring the relevance of the humanitarian–development–peace nexus. To contribute to the broader multilateral response, WFP will seek to implement its responses in synergy with governments and other partners, including through the promotion of complementary, innovative financing and funding modalities.

### New dynamics for diversification of the funding base

33. The strategic evaluation of funding WFP's work<sup>25</sup> provided timely recommendations for WFP to maintain, strengthen and diversify its funding base. In 2022, WFP will continue to explore innovative financing mechanisms such as debt swaps, increased South–South and triangular cooperation and access to pooled funds; increase advocacy for predictable and flexible funding; and collaborate with the private sector, United Nations entities and national governments to implement strategies for working with IFIs.<sup>26</sup>
34. Historically WFP has relied on its top donors for the majority of contributions (figure II.1). The top four donors in 2020 accounted for 70 percent of total contributions – a trend that started before implementation of the current strategic plan began. Ongoing efforts to diversify

<sup>24</sup> Based on project plans approved or submitted for approval by end of August 2021.

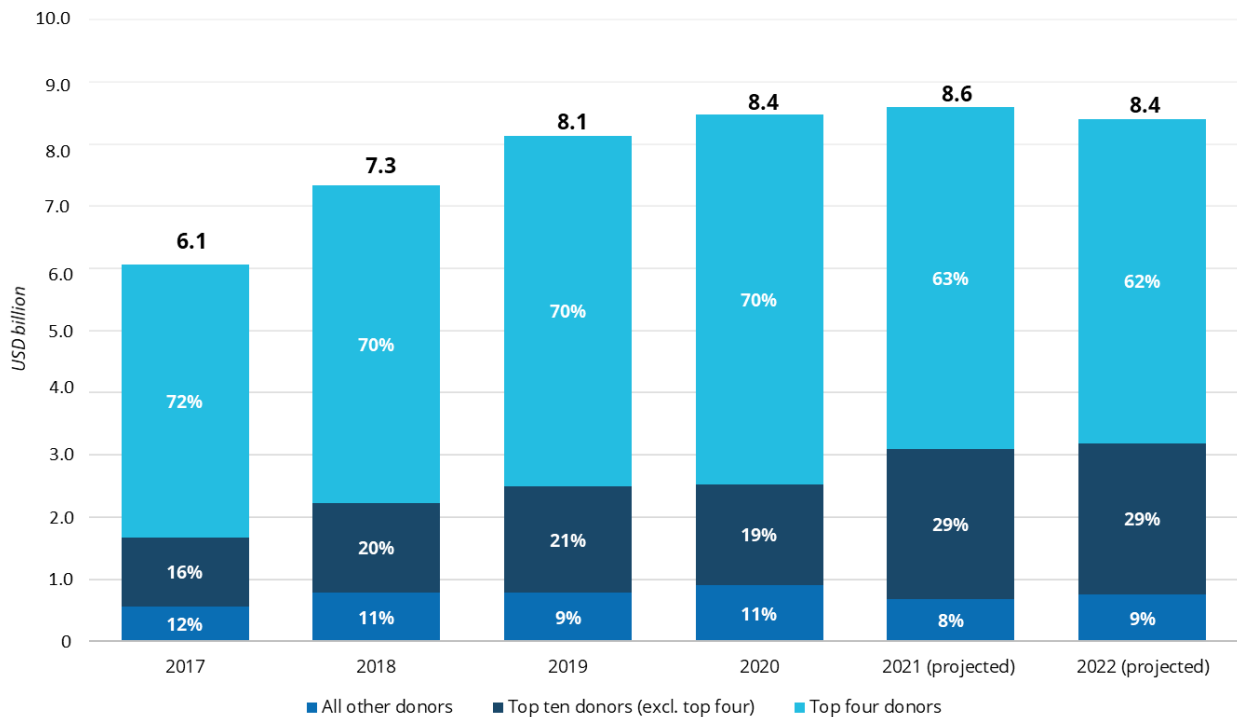
<sup>25</sup> [WFP/EB.A/2020/7-C](#) and [WFP/EB.A/2020/7-C/Add.1](#).

<sup>26</sup> In addition, the USD 2.5 million critical corporate initiative in programme and partnership support approved in 2020 enables WFP to mobilize additional expertise and resources and enhance its fundraising mechanisms for its changing lives agenda.



the donor base in 2021 and beyond will aim to increase the share of contributions from other donors through a combination of enlisting new partners and funding sources and promoting increased support from existing ones. While global growth is foreseen beyond 2022, the return to pre-pandemic levels of economic activity could face setbacks, and domestic priorities might contribute to uncertainty for WFP's resourcing. A degree of uncertainty therefore continues to affect contribution income forecasts beyond 2022, although the amount received is expected to remain stable at more than USD 8 billion.

**Figure II.1: Donors to WFP by value of contributions and percentage of total contributions, 2017–2022 (confirmed and projected)**



35. *International financial institutions (IFIs)*: WFP's joint work with the World Bank and the International Monetary Fund (IMF) complements the United Nations system's COVID-19 response plan and is unlocking new, effective partnerships that are central to helping communities "build back better" after the pandemic. As many governments face reduced fiscal space and mounting spending needs, it has become increasingly important to leverage multilateral and bilateral public finance in order to achieve the SDGs.
36. The strong commitment that IFIs have demonstrated to mitigating the socioeconomic impacts of the pandemic, and their provision of significant levels of financing to governments have created new entry points for WFP. The resulting exchange of data and analysis has enhanced WFP's partnerships with the IFIs and maximized the organization's operational impact. Contributions from national governments, including those contributions sourced through IFIs, increased from USD 130 million in 2019 to USD 348 million in 2020. In 2021–2022, WFP expects to further expand its agreements with national governments, global platforms such as the Global Agriculture and Food Security Program and IFIs, and increase its service provision activities in support of United Nations entities and national governments. The 2021 forecast for agreements with national governments, including IFI resources, is USD 500 million, with continued growth expected in 2022.

37. WFP will continue to pursue partnerships and work at the humanitarian–development–peace nexus thereby strengthening its contribution to the changing lives mandate. To secure future funding for development programming, WFP’s second-generation CSPs will be tailored to align with national government priority areas identified in countries’ United Nations sustainable development cooperation frameworks (UNSDCFs). Through the UNSDCFs, in 2021 and 2022 WFP expects to implement aspects of IFI loans and grants on behalf of national governments.
38. *Private sector partnerships:* The private sector partnerships and fundraising strategy for 2020-2025 <sup>27</sup> was implemented successfully in 2020; all established key performance indicators (KPIs) were achieved. Private sector funding from companies, individuals and foundations reached USD 161 million in 2020, exceeding the target of USD 128 million.
39. Individual giving was prioritized by the Private Partnerships and Fundraising Division’s individual giving and ShareTheMeal teams and through activities with the Japan Association for WFP and World Food Program USA. Sector research has demonstrated that individual giving is resilient to shocks and economic downturns: funding from individuals for 17 United Nations agencies and international non-governmental organizations grew to USD 11.1 billion in 2020, the highest level in five years. In addition, there was no marked increase in the cancellation of regular donations compared with previous years. WFP’s experience with individual giving has followed a similar positive trend.
40. In early 2021, the ShareTheMeal team was moved from the Innovation and Knowledge Management Division in recognition of the need to mainstream its innovative, award-winning approach to individual giving into WFP’s Private Partnerships and Fundraising Division. The mainstreaming will enable the ShareTheMeal team to engage holistically with individual supporters and harness opportunities to share expertise and insights with the individual giving team. Both teams will continue to drive growth in individual giving in 2021 and beyond.
41. Overall, strong progress was made in 2021; all private sector revenue-generating activities were on track to exceed the original 2021 full-year goal of USD 147.5 million. Building on WFP’s annual Ramadan giving campaigns, a joint initiative with the Islamic Development Bank was launched in early 2021 aimed at ensuring that WFP complies with *zakat*, Muslim alms-giving rules. WFP will analyse the results of this pilot to inform its engagement in *zakat* in future Ramadan campaigns. In addition, 2021 is expected to be an exceptional year as close to USD 290 million was secured from a famine relief fund for Yemen during the first quarter. As a result, the 2021 forecast for private sector contributions has been increased to USD 450 million.
42. Based on the results of the first full year of implementation of the private sector partnerships and fundraising strategy, WFP expects to deliver significant annual growth in revenue, achieving long-term returns on the exceptional investments made in individual giving, with demonstrable impacts from partnerships at the country, regional and international levels. The forecast for individual giving in 2022 is USD 230 million, an increase of USD 70 million compared with 2021 when the one-off contribution from the famine relief fund for Yemen is excluded.
43. *United Nations partnerships:* To leverage the growth in funding from United Nations agencies and pooled funds, WFP will further strengthen its engagement with United Nations entities. Strategies that better enable the organization to achieve its saving lives and changing lives mandate through these funding streams will be pursued at the corporate, country and regional levels. Continued guidance and support will be provided to country offices and regional bureaux informing them of potential partnerships, funding opportunities and entry points in their local settings.

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<sup>27</sup> [WFP/EB.2/2019/4-A/Rev.1](#). For additional details on specific funding mechanisms, refer to annex II: Individual giving: detailed information on planned revenue growth.

44. Funding through the United Nations and other agencies rose from USD 307 million in 2019 to USD 447 million in 2020 (including USD 243.5 million from the United Nations Central Emergency Response Fund). The high level of funding received from United Nations and other agencies in 2020 compared with previous years reflects the response to the pandemic. WFP expects similar funding levels in 2021 and 2022 to meet escalating food security and nutrition needs, particularly for people facing famine.
45. As part of the reform of the United Nations development system, WFP engages in financing for development work in line with the funding compact, which has the aim of enhancing the efficiency, effectiveness and transparency of the development system through flexible, softly earmarked and multi-year funding.<sup>28</sup> Pooled funds promote collective action by United Nations agencies in support of national priorities. WFP will continue to strengthen its engagement in key pooled funds such as the joint SDG fund and to participate in system-wide efforts to revamp joint programme guidance. Overall, funding from the United Nations (excluding the Central Emergency Response Fund) continued to grow over the past three years, reaching its highest figure yet at USD 203 million in 2020. While advocacy efforts continue, funding from the United Nations is expected to remain at about USD 200 million in 2021 and 2022.
46. *Thematic approaches and funds:* In 2021, WFP will strengthen its advocacy on key thematic approaches and solutions to achieving zero hunger, including by engaging actively in preparatory work for international events such as the United Nations Food Systems Summit, the Nutrition for Growth Summit and the United Nations Climate Change Conference (COP26) and by forging technical partnerships. For the 2021 Food Systems Summit, WFP is the anchor agency for action track 5 on resilience building and has played a leading role in establishing the global school meals coalition, which will advocate a broader scope for school feeding based on national needs and programmes with related resource mobilization strategies. In addition, WFP strengthened its partnerships with multilateral funds for education and joined the governance boards of Education Cannot Wait in 2020 and the Global Partnership for Education in 2021, receiving more than USD 27 million in contributions from these initiatives in 11 countries by the end of June 2021.
47. During the preparations for COP26, the Secretary-General has urged donors and multilateral development banks to provide at least 50 percent of climate finance for adaptation and resilience activities. In line with this request, WFP is committed to strengthening its advocacy and partnerships in order to better assist governments and communities in adapting to the impacts of climate change on food security and nutrition.
48. In 2021, the Green Climate Fund (GCF) approved a climate change adaptation project in the Sahel region that will be jointly implemented by IFAD, WFP, the African Development Bank and African Risk Capacity. Between 2022 and 2027, WFP will allocate USD 30 million through this project to support the integration of micro-insurance solutions into the risk financing strategies of seven Sahelian countries. In 2022, WFP will strengthen its partnership with the other Rome-based agencies and the United Nations Development Programme (UNDP) on jointly designing and implementing climate adaptation projects through the GCF. In 2021, WFP's engagement with the GCF and the Adaptation Fund progressed from the design to the implementation of projects, for which it received contributions of USD 23 million. WFP has applied to increase the level of its accreditation to the GCF, which is currently set at a maximum of USD 10 million per project (including co-financing). The ability to submit proposals for larger amounts of funding from 2022 onwards would enable the organization to implement larger-scale projects allowing for an overall increase in funding availability from the GCF in the future.

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<sup>28</sup> See [WFP/EB.A/2021/5-H](https://www.wfp.org/publications/2021/5-h) for the latest report on WFP's achievement of funding compact indicators.

49. WFP will continue to explore multi-sector and multi-donor partnerships that strengthen thematic approaches at the humanitarian–development–peace nexus by providing governments with technical assistance on, and implementation of, changing lives programmes. These efforts have been key in securing multi-year, multi-country support for integrated resilience building programmes in the Sahel and for scaling up essential early-warning systems and mobilizing advance financing to implement anticipatory actions in Africa, Asia and Latin America.
50. In the future, thematic approaches and funds will enable WFP to diversify its resources and further scale up innovative and long-term activities for the achievement of zero hunger. Building on ongoing efforts, WFP will strengthen its advocacy and resource mobilization approaches in key thematic areas such as social protection, climate change, school meals, nutrition, gender equality and innovation.
51. *Mobilization of domestic resources:* WFP began to use the revitalized Emerging Donor Matching Fund (EDMF) in 2019, which provides the resources for “twinning” to cover the associated costs of a wide range of contributions from national governments. In 2021 and beyond, WFP will leverage its experience with the fund to promote the mobilization of domestic resources for food assistance activities and provide national governments with technical cooperation and capacity strengthening services.

### **Pursuing innovative modalities and greater impact from funding**

52. *Innovative finances:* Innovative financing solutions complement the continued, essential support provided by donors and include helping developing countries to obtain access to a range of financial resources for development investment and contributing to financing solutions in low-income countries and emerging economies. WFP will also promote debt relief and investment in social safety nets and will advocate for more predictable and flexible funding approaches in the international community, including in fragile and conflict- and violence-affected countries.
53. As the pandemic has exacerbated the gap in the funding available for the achievement of SDGs 2 and 17 by 2030, WFP aims to combine its existing (mainly grant-based) funding model with a new strategic financing model. This will involve exploring several innovative financing approaches that raise additional private and public funds and channel them towards the solution of humanitarian and development challenges in new, collaborative ways, with a focus on long-term results. To this end, WFP is focusing on priority mechanisms such as debt swaps, blended finance and co-financing. The objectives are to attract funding from untapped sources at the global, regional and country levels by optimizing multi-sectoral partnerships and following a more holistic approach; nurture existing partnerships with traditional donors while motivating them to increase their contributions through non-traditional financing mechanisms and dedicated trust funds; and optimize WFP’s visibility as a key player in innovative financing in order to foster mutually beneficial partnerships and attract new funding.
54. After many stakeholders called for debt relief to recover from the pandemic’s economic impacts, the IFIs and regional organizations pledged to explore fiscal solutions. In 2021, this led to debt swap agreements in Egypt, Guinea-Bissau and Mauritania. WFP will apply the lessons from these experiences to help other countries seeking debt swaps in 2022. WFP’s food security and social protection interventions – which are implemented at scale and use large amounts of local currency – make it particularly well placed to partner with national governments in supporting beneficiaries via such financing mechanisms, in accordance with debt relief agreements between debtors and creditors.

55. Anticipatory action for greater efficiency is a key corporate priority, and every dollar saved enables WFP to assist more hungry people. To achieve efficiency gains, WFP is exploring options such as anticipatory actions that enable more rapid, predictable and effective responses before a shock has become a humanitarian emergency, and climate risk insurance, which provides financial protection for people's livelihoods and triggers pay-outs that arrive more rapidly than traditional humanitarian responses. Such approaches have optimized WFP's financial resources and impact by improving the ability of vulnerable people to prepare for extreme weather events, mitigating the impact of those events on people's lives and livelihoods and reducing humanitarian needs. For example, in 2020, an analysis of forecast-based financing implemented in Bangladesh prior to floods found that WFP was able to reach more people at half the cost of its traditional response to the 2019 floods.<sup>29</sup>
56. In 2021 and 2022, WFP will continue to partner with government donors on strengthening awareness and providing evidence of the benefits of anticipatory actions and the need to bring them to scale using well-articulated national disaster risk financing strategies. Specifically, WFP will continue to help governments to scale up and strengthen their national early warning systems and will mobilize pre-positioned finance to implement anticipatory actions in Africa, Asia and Latin America.
57. WFP will also work closely with national governments to jointly explore country financing instruments, plans, initiatives and partnerships that best position WFP to assist the most vulnerable people. By supporting the implementation of social safety nets and social protection programmes, WFP aims to deliver the necessary services together with, or on behalf of, national governments, at their request.

### **Trends in funding flexibility and predictability**

58. WFP is a voluntarily funded organization and relies primarily on government and public sector contributions to implement its programme of work. As every dollar received by WFP is essential for the continuity of its operations and programmes, the full range of support provided in varying forms by partners is highly appreciated. Although WFP received a 14 percent increase in flexible funding in 2020 compared with 2019, flexible funding accounted for only 5.7 percent of total 2020 contribution revenues, a similar level to that of previous years. WFP will intensify its efforts to increase the share of flexible contributions and, where possible, reduce earmarking of and restrictions on all funding sources, including by identifying the value proposition of such funding and enhancing the visibility, transparency and reporting related to flexible contributions in order to create incentives for donors. In addition, more data on the use of flexible funding will be incorporated into the annual performance report.
59. The amounts and proportions of unearmarked funding from the private sector and individuals grew steadily in 2020, the first year of implementation of the private sector partnerships and fundraising strategy with Board-approved investment. This positive direction is expected to continue in 2021 and 2022 as WFP progressively implements the strategy.
60. WFP will advocate with government donors with a view to reducing earmarking and restrictions and increasing predictable, flexible and multi-year funding wherever possible. Such funding enhances the organization's operational capacity, agility, planning horizon and ability to manage funding gaps.

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<sup>29</sup> Similar efficiency gains have been demonstrated in a 2018 study by the United States Agency for International Development on investments in early response and resilience in Ethiopia, Kenya and Somalia, which found that proactive approaches could have saved approximately USD 287 million per year over 15 years; and an analysis of the African Risk Capacity facility, which indicated that early action can reduce the costs of procuring relief goods by up to 45 percent and reduce household losses substantially compared with late responses.

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61. Compared with levels at the end of 2020, the first half of 2021 saw an increase in the flexibility of funding, with a higher share of contributions earmarked at the CSP level (13 versus 2 percent) and the strategic outcome level (22 percent versus 19 percent). Activity level earmarking decreased from 73 to 64 percent, indicating a positive trend towards greater flexibility in donors' earmarking, which is expected to continue in 2022. Contributions eligible for use in internal project lending have also increased, tripling from USD 474 million in 2016 to USD 1.41 billion in 2020. The trends in reduced earmarking and restrictions are expected to continue in 2022.
  62. Multi-year funding increased by 4 percent between 2019 and 2020, reaching USD 1.41 billion. The increase maintains an upwards trend in multi-year funding, which rose from 8 percent of overall funding in 2016 to 17 percent in 2020. By mid-2021, WFP had already received more than USD 1 billion in multi-year contributions and therefore expects to reach or exceed the 2020 level in 2021 and 2022.
  63. WFP advocates with a wide range of partners to establish strategic partnership agreements, which normally cover between three and five years. The number of donors interested in the agreements increased from six in 2020 to 13 in 2021 and may reach 17 by 2022. As part of WFP's efforts to increase efficiency and expediency in fundraising, the use of strategic partnership agreements strengthens dialogue with individual donors on common priorities and information needs, reduces the human and financial resources used on grant-specific administration (including reporting), and minimizes transactional costs. To this end, WFP will continue to highlight the benefits of multi-year framework agreements for its existing and potential partners, including by engaging in dialogue with decision-makers in partner countries and drawing on global discourse related to the Good Humanitarian Donorship principles, the funding compact and other initiatives when negotiating agreements with partners.
  64. *Immediate Response Account (IRA)*: The IRA, which was established as a flexible resource facility to enable WFP to respond quickly to emergency needs, will continue to play a critical role in providing flexible humanitarian funding for timely action. In 2020, USD 188 million was allocated on a revolving basis through the IRA in order to provide life-saving food assistance in the absence of forecasted funds; the top four recipient countries for IRA advances were Yemen, Burkina Faso, Mozambique and Lebanon. Owing to an increasing need for emergency response, the demand for funding from the IRA is growing and the account would benefit from a capital infusion. The number of donors contributing directly to the IRA is expected to increase from five in 2020 to eight in 2021. The total value of contributions earmarked for the IRA is expected to increase by 92 percent, from USD 24 million in 2020 to USD 46 million in 2021, and that level is expected to be maintained in 2022.
  65. The new strategic plan for 2022–2026 will outline WFP's plans for strengthening its funding base and pursuing new funding sources – including through expanded partnerships with IFIs, foundations and the private sector – by demonstrating its value proposition in the achievement and facilitation of zero hunger. Flexible multi-year funding will continue to be necessary for better responses to rapidly changing situations and for meeting immediate food security, nutrition and other essential needs while contributing to more sustainable, long-term outcomes for people and their communities.

## Section III: Operational requirements and provisional implementation plan for 2022

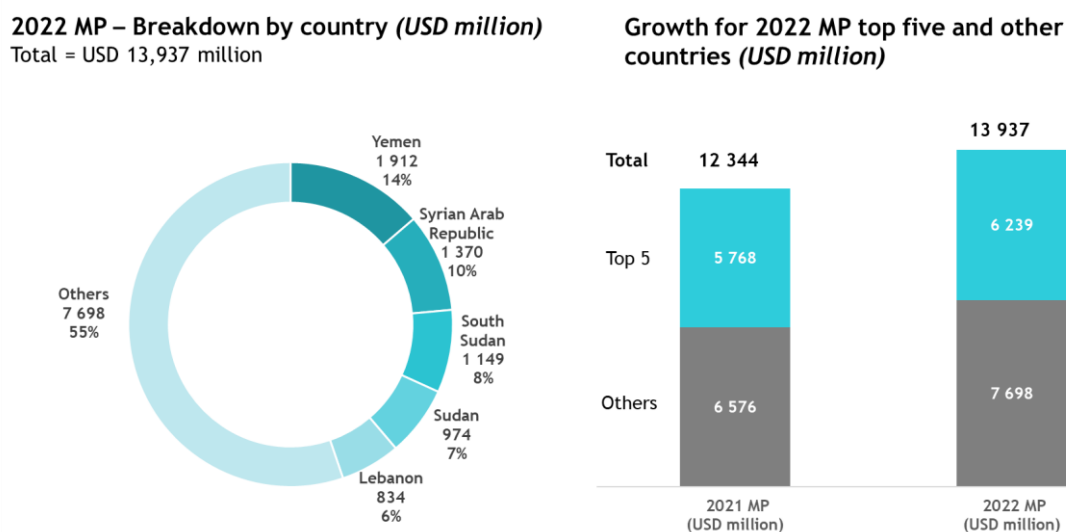
### Overview

66. WFP's projected needs for 2022 reflect the impact of the COVID-19 pandemic on top of increased hunger, a rising number of conflicts and the climate crisis. Based on the dramatic growth in worldwide hunger and malnutrition described in section I, operational requirements for 2022 are estimated at USD 13.9 billion. The management plan anticipates that WFP will reach 124 million people through 85 operations, representing a 23 percent increase from the previous management plan and making this WFP's most ambitious management plan to date. While these figures reflect foreseen needs for WFP food assistance throughout its programme of work, sudden or unforeseen challenges require flexibility in the organization's approach. To meet increased needs in a more complex environment, WFP will leverage its ability to work across the humanitarian and development spheres, strengthen its contribution to peace outcomes and invest in strategic and operational partnerships with the aim of ensuring that no one is left behind.

### Situation analysis

67. As of August 2021, WFP and its partners were responding to emergencies in 22 countries, and the five largest country operations – those in Yemen, the Syrian Arab Republic, South Sudan, the Sudan and Lebanon – account for almost half of WFP's 2022 operational requirements. Operations in Yemen alone account for 14 percent, and requirements in the Syrian Arab Republic and Lebanon are projected to increase in 2022, driven by the deteriorating economic situation in both countries. Increases in beneficiaries and in the value of cash-based transfers (CBTs) in South Sudan and the Sudan are reflected in the increased budgets of WFP's country offices in those two countries. The growth in the Sudan country portfolio budget also reflects WFP's provision of technical support to the Government in its implementation of its national family support programme.

**Figure III.1: Growth in top five operations**



68. Nonetheless, the budgets for the top five countries, which together will increase by 8 percent, are projected to grow less than the overall growth in WFP operations, at 13 percent, demonstrating that needs are accelerating throughout WFP's portfolio (see figure III.1). WFP is



scaling up life-saving food and nutrition assistance in crises to meet the essential needs of the most vulnerable people, overcoming access challenges, expanding CBTs and treating acute malnutrition. Beyond emergency response, WFP is working increasingly with partners on strengthening the prevention of hunger by investing in human capital and livelihoods and strengthening food, emergency preparedness, supply chain and social protection systems in order to reduce hunger and support vulnerable people who are subject to recurring shocks.

## Response to COVID-19

69. By the end of 2021 WFP's socioeconomic response and recovery programme framework for the COVID-19 crisis will be fully incorporated into CSPs. Designed to complement WFP's emergency response planning, the framework has helped to catalyse and coordinate the organization's long-term COVID-19 programming, resourcing and partnership efforts aimed at helping countries to build back better. To support WFP's saving lives and changing lives mandate, the framework is focused on three programme pillars – social protection, basic services and food systems.
70. The COVID-19 pandemic highlighted the vulnerability of food systems to shocks and the need to ensure that they have the capacity to withstand disruptions in the short term while enabling economies and societies to build back better in the medium to long term. As highlighted during preparations for the 2021 United Nations food systems summit, building resilient, inclusive and equitable supply chains that deliver benefits for all stakeholders is fundamental to the transformation of food systems. To help build such improved supply chains, WFP will pursue an increasingly localized approach to procurement, such as by scaling up purchases from smallholder farmers; map existing tools and initiatives and test industry-standard methods for mitigating the risk of post-harvest losses; improve its vendor management system and continue to ensure the safety and quality of staple commodities and processed foods; and reduce the environmental and social impacts of its procurement actions. These activities will require stakeholders from various sectors to collaborate on the creation of productive, equitable, inclusive and sustainable food systems.

## Cross-cutting thematic areas

71. Cross-cutting thematic areas include environment and climate change, conflict and WFP's contribution to peace, protection and accountability to affected populations, gender equality, social protection, country capacity strengthening, South-South cooperation, food systems and smallholder farmer support, evidence-based programming and monitoring, reducing the vulnerabilities and strengthening the self-reliance of refugees, and school feeding. Additional information on select thematic areas are described in detail below.
72. WFP's efforts to integrate gender equality and women's empowerment into all of its work will be framed by its gender policy for 2022–2026, which builds on the recommendations of an evaluation of the gender policy for 2015–2020.<sup>30</sup> Accordingly, WFP will increase its efforts to promote gender-equitable practices and advance gender-transformative initiatives in delivering on its mandate. To implement its corporate policies and strategies, gender considerations will continue to be integrated into second-generation CSPs. Systemic gender mainstreaming will be supported by WFP's gender transformation programme, the WFP gender with age marker (applied at both the design and implementation phases of policy and strategy development) and the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN SWAP).

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<sup>30</sup> [WFP/EB.A/2020/7-B](#) and [WFP/EB.A/2020/7-B/Add.1](#).

73. In 2022, WFP will invest in the management of knowledge on the production, analysis, use and tracking of gender data and strategic partnerships to achieve results in gender equality in moving efforts to attain zero hunger. Such efforts require an engaged, competent and equipped workforce and adequate financial resources. Investments in enhancing the knowledge and skills of employees and partners, including through the gender learning channel, the WFP gender toolkit and tailored capacity strengthening activities, will continue to be made. Complementing the gender budgets required in all CSP documents, a corporate process aligned with the results framework will be implemented to track expenditures related to the pursuit of gender equality.
74. For governments around the world, effective and equitable social protection systems are a key instrument for reducing extreme poverty, hunger and inequality and are essential for achieving zero hunger. Governments are increasingly calling on WFP to help strengthen their national social protection systems by providing technical advice and delivering elements of national programmes on their behalf. The COVID-19 pandemic has increased this demand, as governments seek support for the rapid design and delivery of practical social protection responses that mitigate the impact of the crisis.
75. In July 2021, WFP released a new strategy for supporting social protection.<sup>31</sup> The strategy and accompanying framework articulate WFP's approach and outline how it will contribute to collective efforts to achieve long-term national social protection goals. WFP has two priorities in helping populations to increase substantially their access to national social protection systems: safeguarding and fostering people's ability to meet their food security, nutrition and associated essential needs; and enabling people to manage better the risks and shocks they face. These two priorities – which are aimed at reaching zero hunger and reducing and addressing risks of all kinds – are integral to WFP's overall mandate.
76. WFP subscribes to the recommendation on the humanitarian–development–peace nexus of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC), which highlights the need to pursue “prevention always, development wherever possible and humanitarian assistance whenever necessary”. WFP also seeks to link early warning to robust early action, undertake conflict-sensitive programming and leverage its operational strengths to address the underlying drivers of famine. That entails a focus on the most vulnerable people and those who are most difficult to reach, investment in the right partnerships and complementary work, and political engagement and humanitarian diplomacy on critical issues related to hunger and famine prevention, including operationalization of resolution 2417 of the United Nations Security Council<sup>32</sup> on access to food for all food-insecure populations in conflict settings. With its multidimensional mandate, WFP will employ a range of tools to foster the prosperity and self-sufficiency of people and communities, including by working closely with governments on strengthening their capacity to respond to citizens' needs.
77. By investing in long-term processes for strengthening education, nutrition, livelihood resilience and social protection systems, WFP will facilitate economic and social mobility, strengthen the link between citizens and the state and ensure that critical services reach the most vulnerable people and communities.

## Analysis of 2022 operational requirements

78. The increase in operational requirements in 2022 compared with 2021 reflects WFP's continued commitment to delivering life-saving interventions while improving the resilience of its

<sup>31</sup> WFP. 2021. *World Food Programme Strategy for Support to Social Protection*.

<sup>32</sup> Available at: [https://undocs.org/Home/Mobile?FinalSymbol=S%2FRES%2F2417\(2018\)&Language=E&DeviceType=Desktop](https://undocs.org/Home/Mobile?FinalSymbol=S%2FRES%2F2417(2018)&Language=E&DeviceType=Desktop).

beneficiaries, strengthening national systems and capacities and reducing the need for humanitarian assistance.

### Analysis by focus area

Focus area	2021 operational requirements (USD million)	2022 operational requirements (USD million)	Increase (%)
Crisis response	9 545	10 770	13
Resilience building	2 252	2 614	16
Root causes	547	553	1
<b>Total</b>	<b>12 344</b>	<b>13 937</b>	<b>13</b>

79. In 2022, crisis response will account for the largest share of requirements, at 77 percent of the total, while resilience building will account for 19 percent and root causes 4 percent. These figures reflect growing humanitarian needs globally and WFP's overarching priority of saving lives in emergencies. However, the need for life-saving interventions will persist in many areas unless lives are changed by building resilience and addressing the root causes of hunger and malnutrition. The Sudan and the Syrian Arab Republic have the highest increases for crisis response interventions in 2022.
80. The projected 16 percent increase in resilience building reflects increases in several large and protracted operations, such as those in Burkina Faso, Haiti, Mali, South Sudan and the Sudan, and reflects WFP's use of integrated and sequenced humanitarian and development activities that meet people's urgent food security, nutrition and other essential needs while strengthening their long-term resilience to shocks and stressors. Almost 40 percent of the increase in resilience building is for asset creation and livelihood support activities. The enhanced focus on resilience building will be integrated with additional support in related activities, including investments in school feeding in Burkina Faso, nutrition activities in Mali and government capacity strengthening in South Sudan.

### Analysis of beneficiary numbers

Regional bureau	2021 (million beneficiaries)	2022 (million beneficiaries)	Increase (decrease) (%)
Asia and the Pacific (RBB)	10.8*	20.4	89
Middle East and Northern Africa (RBC)	25.1*	31.5	26
Western Africa (RBD)	12.7	16.2	27
Southern Africa (RBJ)	18.0	15.0	-17
Eastern Africa (RBN)	29.2	32.1	10
Latin America and the Caribbean (RBP)	5.1	9.0	78
<b>Total</b>	<b>100.8</b>	<b>124.1</b>	<b>23</b>

\* Figures reported in last year's management plan (WFP/EB.2/2020/5-A/1/Rev.1) reflected the proposed transfer of Armenia from RBC to RBB. Following a reassessment of the situation, however, Armenia has remained under RBC and the 2021 figures in this table have been revised to reflect that fact.

81. Three regional bureaux – those for Asia and the Pacific, the Middle East and Northern Africa and Eastern Africa – account for almost 70 percent of total beneficiaries. The intractable humanitarian crises in East Africa and the Middle East and North Africa continue to require large operational responses. In Afghanistan alone, beneficiary numbers will increase by more than 10 million, or 333 percent, as drought, rapidly deteriorating security and COVID-19 exacerbate hunger and malnutrition. Afghanistan represents the largest absolute increase in WFP operations between 2021 and 2022.
82. Large increases in the number of beneficiaries are projected in Burkina Faso and Nigeria owing to economic shocks and conflict, and in the Sahel as a result of protracted insecurity and climate stressors. The Regional Bureau for Latin America and the Caribbean is expecting a 78 percent increase in beneficiary numbers, mainly due to protracted crises in Haiti, Honduras and the Bolivarian Republic of Venezuela.
83. Meanwhile, needs and beneficiary numbers are expected to decline in countries in Southern Africa that have experienced adequate rains and good harvests. The notable exception is Madagascar, where the number of beneficiaries is projected to increase by almost half a million (44 percent) as the country continues to face its most severe drought and resulting humanitarian crisis since 1981.

#### Ability to contribute to the achievement of the Sustainable Development Goals

84. Meeting emergency needs and improving food security are WFP's core responsibilities, and the management plan for 2022–2024 reflects a continued commitment to assisting governments in achieving SDG 2 and supporting the achievement of SDG 17 through strengthened partnerships that leverage the contribution of food security and nutrition to the attainment of other SDGs. Table III.3 outlines WFP's operational requirements for each of its five strategic objectives and eight strategic results, corresponding to the targets for SDGs 2 and 17. Strategic Objectives 1 (end hunger), 3 (achieve food security) and 5 (partner for SDG results) account for 92 percent of total operational requirements for 2022.

SDG	Strategic Objective		Strategic Result		2021 operational requirements (USD million)	2022 operational requirements (USD million)	Increase (decrease) (%)
2	1	End hunger	1	Access to food	10 034	10 826	8
	2	Improve nutrition	2	End malnutrition	943	914	-3
	3	Achieve food security	3	Smallholder productivity and income	247	383	55
			4	Sustainable food systems	444	643	45
17	4	Support SDG implementation	5	Capacity strengthening	146	156	7
			6	Policy coherence	3.75	3.39	-10
	5	Partner for SDG results	7	Diversified resourcing	0.80	1.03	28
			8	Enhance global partnership	525	1 010	92
<b>Total</b>					<b>12 344</b>	<b>13 937</b>	<b>13</b>

## **Sustainable Development Goal 2**

85. Work towards Strategic Objective 1 will constitute approximately 78 percent (USD 10.8 billion) of WFP's overall operational requirements in 2022, an 8 percent increase over 2021 attributable primarily to large increases in the cost of crisis responses under Strategic Objective 1 in Afghanistan, Mozambique, the Sudan, the Syrian Arab Republic and the Bolivarian Republic of Venezuela as those countries face conflict, climate shocks and economic downturns.
86. While there is a slight decrease in requirements for Strategic Objective 2 (improve nutrition), most of that decrease is attributable to budgetary changes in Yemen and Chad, where nutrition interventions have become more integrated with crisis response interventions and will be incorporated into Strategic Objective 1 in 2022.
87. Strategic Objective 3, which encompasses Strategic Result 3 (smallholder productivity and incomes) and Strategic Result 4 (sustainable food systems) and accounts for 7 percent of 2022 operational requirements, will increase by 48 percent compared with 2021. This growth in Strategic Objective 3 is derived from large increases in several countries such as Somalia, where the second-generation CSP – implementation of which will begin in January 2022 – will introduce a long-term resilience and human capital development approach to complement responses to urgent needs.

## **Sustainable Development Goal 17<sup>33</sup>**

88. The 7 percent increase in operational requirements for Strategic Objective 4, which encompasses Strategic Result 5 (capacity strengthening) and Strategic Result 6 (policy coherence), is primarily linked to increases in institutional capacity strengthening in the Dominican Republic, Iraq, Lebanon, Nepal and the Sudan. In Nepal, for example, analysis, assessment and monitoring activities to support the launch of a forecast-based financing intervention will increase requirements by USD 4.7 million.
89. Strategic Objective 5 comprises Strategic Result 7 (diversified resourcing) and Strategic Result 8 (enhance global partnership), with the latter representing almost 100 percent of this strategic objective. Funding for Strategic Result 8 in 2022 has almost doubled compared with 2021, driven by an increased emphasis on service provision and platform activities in WFP's portfolio. In Lebanon, for example, an increase of USD 193 million in 2022 will support the Government with on-demand CBT services for the national emergency crisis and COVID-19 response social safety net project.

**TABLE III.4: OPERATIONAL REQUIREMENTS BY STRATEGIC RESULT AND ACTIVITY CATEGORY, 2022 (USD million)**

<b>Activity category</b>	<b>Strategic Result 1</b>	<b>Strategic Result 2</b>	<b>Strategic Result 3</b>	<b>Strategic Result 4</b>	<b>Strategic Result 5</b>	<b>Strategic Result 6</b>	<b>Strategic Result 7</b>	<b>Strategic Result 8</b>	<b>Total</b>
Analysis, assessment and monitoring	1	< 1		< 1	9			< 1	<b>10</b>
Asset creation and livelihood support	683	1	256	442					<b>1 383</b>
Climate adaptation and risk management			2	65	1				<b>67</b>
Common services and platforms					4			1 006	<b>1 010</b>

<sup>33</sup> Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Activity category	Strategic Result 1	Strategic Result 2	Strategic Result 3	Strategic Result 4	Strategic Result 5	Strategic Result 6	Strategic Result 7	Strategic Result 8	Total
Capacity strengthening, - individual	22		6	7					<b>36</b>
Capacity strengthening, - institutional	103	27	21	58	132	3		2	<b>347</b>
Emergency preparedness	18			7	3				<b>29</b>
Nutrition	739	856		3					<b>1 598</b>
Other							1	1	<b>2</b>
School feeding	969	28	6	1	8				<b>1 011</b>
Smallholder agricultural market support		2	58	35	< 1				<b>96</b>
Unconditional resource transfers to support access to food	8 291	< 1	33	24					<b>8 347</b>
<b>Total</b>	<b>10 826</b>	<b>914</b>	<b>383</b>	<b>643</b>	<b>156</b>	<b>3</b>	<b>1</b>	<b>1 010</b>	<b>13 937</b>

#### **Analysis by transfer modality and cost category**

90. WFP uses a variety of activities and modalities to deliver life-saving and life-changing transfers that reach people in urgent need of assistance, build resilience and help to address structural vulnerabilities. Food, CBT and commodity voucher assistance account for 87 percent of total transfer costs in the 2022 operational requirements. The remaining 13 percent supports capacity strengthening and service delivery aimed at strengthening the capacity of governments and partners to improve outcomes for millions of hungry and malnourished people not reached directly by WFP.
91. Table III.5 outlines the values of transfers and associated costs in WFP's operational requirements for 2021 and 2022. The projected increase in the management plan translates into increases of 11 percent in the requirements for food transfers and 9 percent in CBTs, which together account for the majority of total requirements. While small in terms of dollar value, the increases of 106 percent in service delivery and 25 percent in capacity strengthening reflect the growing demand for WFP's service provision activities and the move towards capacity strengthening for governments and communities.

TABLE III.5: TRANSFER VALUES AND ASSOCIATED COSTS, 2021 AND 2022

Transfer and associated costs	2021 Operational requirements (USD million)	% of total transfer costs	2022 Operational requirements (USD million)	% of total transfer costs	Increase (decrease (%))
Food	5 204	50	5 771	50	11
CBTs	3 800	37	4 141	35	9
<i>Cash</i>	2 425	24	2 820	24	16
<i>Value vouchers</i>	1 374	13	1 321	11	-4
Commodity vouchers	369	4	252	2	-32
Capacity strengthening	531	5	664	6	25
Service delivery	416	4	859	7	106
<b>Total transfer costs</b>	<b>10 320</b>	<b>100</b>	<b>11 686</b>	<b>100</b>	<b>13</b>
Implementation costs	783		908		
Direct support costs	490		525		
<b>Total direct costs</b>	<b>11 593</b>		<b>13 119</b>		
Indirect support costs	751		818		
<b>Total</b>	<b>12 344</b>		<b>13 937</b>		

### Food transfers

92. In a progressively complex operating environment, WFP's needs-based plan for 2022 totals 5.8 million mt of food, valued at an estimated USD 5.8 billion including food value and transfer costs; cereals (valued at USD 2.8 billion) account for approximately 63 percent of planned food requirements. Although the overall tonnage is similar to 2021 planning figures, the expected cost is higher owing to increasing prices for most food commodities, especially cereals (also due to increased local and regional procurement of rice), mixed and blended foods and vegetable oil (with increased planned purchases of sustainable palm oil). Almost 50 percent of the total 5.8 million mt is expected to be sourced from local and regional markets, including more than 65 percent of sorghum, maize and beans and 98 percent of non-fortified wheat flour. The trend in increasing local and regional purchases of lipid-based nutrient supplements will also continue.
93. The Regional Bureau for Eastern Africa is the main recipient of planned food transfers, accounting for USD 1.9 billion (34 percent of the total). Food requirements for the eight countries experiencing Level 3 emergencies<sup>34</sup> total 2.9 million mt, valued at USD 3.0 billion and accounting for 52 percent of the total. The top three recipient countries in terms of food needs are Yemen (USD 847 million), the Syrian Arab Republic (USD 834 million) and South Sudan (USD 712 million).
94. By taking a proactive approach to supply chain management, WFP optimizes the use of available resources and reaches beneficiaries more efficiently. The innovative solutions that it has adopted include the Global Commodity Management Facility (GCMF), long-term agreements with vendors, sourcing plans based on demand and resource forecasts, and improved market assessments and vendor evaluations.

<sup>34</sup> Including three countries in the central Sahel – Burkina Faso, Mali and the Niger – the Democratic Republic of the Congo, Nigeria, South Sudan, the Syrian Arab Republic and Yemen.



### ***Cash-based transfers***

95. WFP's use of CBTs has increased consistently over the past 11 years, making it the global leader in this practice. In 2022, WFP plans to provide USD 4.1 billion in CBTs in 68 countries, representing an increase of 9 percent compared with 2021. In 2022, Bangladesh, Jordan, Lebanon, Somalia, the Sudan, the Syrian Arab Republic and Yemen will account for 50 percent of total CBT requirements. CBTs will account for 35 percent of total transfer costs.
96. Since early 2020, WFP has assisted national governments with their cash-based responses to COVID-19. This support for governments has since expanded beyond the COVID-19 response, and WFP expects that the provision of technical assistance and services for government-to-person payments will continue to grow in 2022, including in Lebanon, the Sudan and Yemen.

### ***Commodity vouchers***

97. Commodity vouchers are a distinct transfer modality through which beneficiaries are provided with an amount of credit equivalent to a fixed quantity of specific foods. The vouchers have proved particularly useful in unstable environments and where market operators have better access to populations in need of food assistance than humanitarian agencies have. In 2022, commodity vouchers will account for USD 252 million, or less than 2 percent of total transfer costs, in line with the downward trend observed over recent years.

### ***Capacity strengthening***

98. Capacity strengthening transfers include materials, equipment, knowledge, skills and other resources that are transferred directly to individual beneficiaries, communities, partners or government counterparts to complement food and cash-based transfers. In 2022, operational requirements totalling USD 664 million are planned for capacity strengthening transfers in 85 operations, equivalent to 6 percent of total transfer costs. Compared with 2021, capacity strengthening transfers are expected to increase by 25 percent (see table III.5).
99. Operations in eight countries – Bangladesh, Colombia, Iraq, Mali, South Sudan, the Sudan, the Syrian Arab Republic and Yemen – account for 36 percent of total capacity strengthening transfers for 2022. Communities and households in these countries will be provided with capacity strengthening transfers alongside food and CBTs to help build their resilience in the face of food insecurity. WFP is planning to increase its capacity strengthening support for the governments of Bangladesh (by 17 percent), Colombia (by 197 percent) and the Sudan (by 122 percent). In all of these eight countries WFP has been requested to assist in improving social protection systems and shock-responsive safety nets, partly as a result of the economic effects of COVID-19, which have increased the need for assistance for new population groups, including informal urban dwellers.
100. In a few countries, capacity strengthening transfers constitute 100 percent of WFP's 2021 and 2022 programmes of work. In India, for example, planned capacity strengthening activities will be aimed at supporting increased expertise among government staff at the state level, investments in advanced analytics, the expansion of rice fortification into new states and the further expansion of private sector collaboration.

### ***Service delivery***

101. Total requirements for service delivery in 2022 are estimated at USD 859 million. This modality comprises a combination of mandated and on-demand services provided at the country level. When these activities are managed inside a country or on behalf of a host government they are included in the country's CSP.

102. WFP facilitates humanitarian response by providing critical support to governments and the humanitarian community. For example, the United Nations Humanitarian Air Service (UNHAS) provides safe and reliable transport for aid workers and security and medical evacuation services, and as the lead agency for the logistics cluster, WFP provides coordination, information management and facilitation of shared logistics services to the entire humanitarian community during emergency responses.
103. The emergency telecommunications cluster serves as a global network of organizations working together to provide shared communications services in humanitarian emergencies and is another example of a service that WFP is mandated to provide. The services provided include telephony, support for local broadcasters, internet connectivity for VHF and HF radio networks and the use of drones to enhance traditional humanitarian response solutions. The cluster's services are deployed in defined "common operational areas" that are approved by humanitarian country teams and are where the majority of United Nations agencies and non-governmental organizations are based.
104. WFP also provides on-demand logistics and procurement services through bilateral service provision. The provision of food on behalf of governments was scaled up substantially in 2020, with a record volume of 533,000 mt (valued at almost USD 200 million), more than double the previous record reached in 2019. The largest service agreements were implemented in the Sudan (242,000 mt), Ethiopia (200,000 mt) and Guatemala (90,000 mt). A further increase in service provision is foreseen for 2021 with the planned purchase of almost 1 million mt of wheat through agreements with the governments of Ethiopia and the Sudan.

### Implementation costs

105. Based on country office projections for 2022, implementation costs will amount to USD 908 million, or 6.9 percent of total direct costs. This is in line with 2020 actual and 2021 estimated costs of 6.9 percent and 6.8 percent respectively.
106. The implementation costs in the management plan for 2022–2024 show an increase in absolute value of USD 125 million compared with the management plan for 2021–2023. The increase is related mainly to the additional costs incurred in ensuring the delivery, distribution, monitoring and evaluation of assistance in remote, inaccessible locations affected by conflict in countries such as Bangladesh, the Sudan and Yemen.

### Direct support costs

107. Direct support costs cover multiple activities that are related to the transfer of assistance and implementation of WFP programmes, and for 2022 are estimated at USD 525 million, or 4 percent of total direct costs. In percentage terms, this is similar to the direct support costs approved in the management plan for 2021–2023.
108. The share of direct support costs as a percentage of operational requirements has stabilized at around 4 percent following implementation of the Integrated Road Map (IRM) and adoption of the underlying financial framework. By 2019, all countries were operating under CSPs with new cost categories that were better aligned with direct operational costs and direct support costs.

<b>TABLE III.6: DIRECT SUPPORT COSTS AS A PERCENTAGE OF OPERATIONAL REQUIREMENTS</b>			
<b>2019 actual*</b>	<b>2020 actual*</b>	<b>2021 estimated**</b>	<b>2022 estimated**</b>
4.0	4.1	4.2	4.0

\* Actual data for 2019 and 2020 are based on statement V of the 2019 and 2020 audited accounts, respectively.

\*\* Estimated data for 2021 and 2022 are based on the management plans for 2021–2023 and 2022–2024 respectively.

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## Cost per beneficiary and cost per ration

109. The daily cost per beneficiary, an important benchmark for WFP, corresponds to the cost per ration for food transfers and the cost of daily entitlements for CBTs. It depends mainly on the operational environment and the type and duration of assistance. Because WFP focuses on the most vulnerable population groups, its crisis-response activities are implemented primarily in areas affected by conflict, failed harvests or other shocks. Such shocks drive up the cost of providing assistance, largely because of limited access during rainy seasons or periods of insecurity or because of seasonal price increases. While the composition, nutritional value and cost of an in-kind ration vary depending on the setting and the intended results, the nutritional quality of rations has generally improved, with more specialized nutritious foods (SNFs) being distributed. Interventions that address micronutrient deficiencies with SNFs and, more generally, that aim to improve the diversity and quality of dietary assistance are more costly than traditional rations.
110. The average daily cost per beneficiary reflects the estimated budgeted amount that can be attributed to a daily food basket or CBT designed to achieve programme objectives. With projected operational requirements designed to deliver 31.7 billion rations, the budgeted average daily cost per beneficiary for 2022 is USD 0.38 (see table III.7). This weighted-average global figure reflects a range of activities with different average expected daily costs per beneficiary, such as school feeding (USD 0.25), nutrition activities (USD 0.34) and unconditional resource transfers (USD 0.39), the last of which constitute more than 67 percent of all WFP daily transfers.
111. The main component of the daily cost per beneficiary is the cost of the transfer itself, which in 2022 is expected to constitute an average of 84 percent of the total cost, the implementation cost and other operating costs. As a result, the ration size and type of commodities used in food transfers and the transfer value of CBTs are the main factors driving the daily cost per beneficiary.
112. WFP's operational requirements for 2022 are based on 20.5 billion food rations and 11.2 billion food ration equivalents in the form of CBTs. The budgeted daily average cost per beneficiary is USD 0.34 for food and USD 0.46 for CBTs. Because of the importance of the transfer share in the overall cost, CBTs generally have higher overall costs than in-kind food rations. This could be due to prevailing market conditions or because multi-purpose cash transfers cover more needs than food baskets do. It is also because CBT cost per beneficiary remains the same for all beneficiaries who receive CBTs in connection with a specific activity, while the total transfer cost of in-kind food per beneficiary decreases as the number of beneficiaries grows, owing to WFP supply chain practices and related economies of scale. However, efficiency gains in implementation and other costs for both modalities can be made, depending on the situation and nature of the operation, because WFP's systems and operations are designed to benefit as much as possible from economies of scale.
113. Daily cost per beneficiary is calculated for food and cash-based transfers but not for the operational requirements of capacity strengthening and service delivery.

<b>TABLE III.7: DAILY COST PER BENEFICIARY – OPERATIONAL REQUIREMENTS 2022</b>						
<b>Activity category</b>	<b>Food</b>		<b>CBTs</b>		<b>Total</b>	
	<b>Number of daily rations (million)</b>	<b>Average daily cost per beneficiary, including ISC (USD)</b>	<b>Number of daily entitlements (million)</b>	<b>Average daily cost per beneficiary, including ISC (USD)</b>	<b>Number of daily rations or entitlements (million)</b>	<b>Average daily cost per beneficiary, including ISC (USD)</b>
Asset creation and livelihood support	691.0	0.56	1 268.9	0.68	1 959.8	0.64
Climate adaptation and risk management	9.0	0.12	57.4	0.44	66.4	0.40
Emergency preparedness	5.8	0.26	42.3	0.38	48.1	0.37
Nutrition	4 040.1	0.31	357.4	0.68	4 397.5	0.34
School feeding	3 158.0	0.23	700.5	0.38	3 858.5	0.25
Smallholder agricultural market support	-	-	5.6	0.65	5.6	0.65
Unconditional resource transfers to support access to food	12 590.9	0.36	8 789.6	0.43	21 380.6	0.39
<b>All activities</b>	<b>20 494.8</b>	<b>0.34</b>	<b>11 221.7</b>	<b>0.46</b>	<b>31 716.5</b>	<b>0.38</b>

ISC = indirect support costs

### Corporate programme output targets

114. WFP's corporate programme output targets express the organization's intended response to global food security needs and support advocacy and resource mobilization. As stipulated in the revised CRF part II, annual targets can be updated in the management plan if necessary.
115. Table III.8 shows revised targets for 2021, which are aligned with the latest available planning figures from country offices in order to represent needs more accurately. The figures reflect changes in the operational context and conditions affecting activities under current CSPs and in the planning of CSPs approved in 2021.

<b>TABLE III.8: RESULTS AGAINST PROGRAMME OUTPUTS</b>			
<b>Category A: Targets for transfer modalities</b>			
<b>Indicator</b>	<b>Revised 2021 target</b>	<b>Proposed 2022 target</b>	<b>Percentage change</b>
Total quantity of food provided to targeted beneficiaries ( <i>million mt</i> )	5.8	5.8	0
Total value of food provided to targeted beneficiaries ( <i>USD billion</i> )	3.09	3.4	10
Quantity of fortified food provided ( <i>million mt</i> )	0.38	1.1	189
Quantity of specialized nutritious food provided ( <i>million mt</i> )	0.629	0.55	-13
Total amount of value transferred through CBTs and commodity vouchers to targeted beneficiaries ( <i>USD billion</i> )	3.8	4	5
Unrestricted cash ( <i>USD billion</i> )	2.2	2.6	18
Vouchers ( <i>USD billion</i> )	1.3	1.2	-8
Commodity vouchers ( <i>USD million</i> )	360.7	235.8	-35
Total value of capacity strengthening transfers ( <i>USD billion</i> )	0.531	0.663	25
Percentage of UNHAS passengers served against number requesting services	95	95	0
<b>Category B: Targets for beneficiary numbers</b>			
<b>Indicator</b>	<b>Revised 2021 target</b>	<b>Proposed 2022 target</b>	<b>Percentage Change</b>
Total number of beneficiaries targeted through WFP food and CBTs ( <i>million</i> )	100.8	124.1	23
Number of schoolchildren targeted through school feeding interventions ( <i>million</i> )	19.9	21.9	10
Number of persons targeted through nutrition-specific interventions ( <i>million</i> )	20	24	20
Number of persons targeted through food assistance for assets programmes ( <i>million</i> )	10.2	14.6	43

116. *School feeding.* Operational requirements for school feeding activities in 2022 will increase in 33 countries in line with WFP's school feeding strategy, which calls for increasing support in the most fragile settings where the needs are greatest. Requirements for school feeding have nearly doubled for crisis response and increased by 19 percent for resilience building, reflecting the impact of the COVID-19 pandemic on school-age children and their households. The increase in school feeding requirements is driven largely by the launch of a school feeding programme to support the Government of the Bolivarian Republic of Venezuela. Operational requirements for school feeding activities will decrease in 22 countries, particularly in Bangladesh, Kenya, Lesotho and Sierra Leone, reflecting WFP's strategy of transition to national programmes over time.

117. *Nutrition.* WFP focuses first on preventing malnutrition and then on treating it when it occurs. During crises, especially given the 14.3 percent increase in acute malnutrition prevalence since the onset of the COVID-19 pandemic,<sup>35</sup> it is essential for WFP to respond quickly by providing women and children with access to sufficient quantities of the high-quality, nutritious food they need. In 2022, WFP aims to reach a record-breaking 24 million people with nutrition-specific activities, 20 percent more than in 2021; countries with significant planned increases in nutrition activities include Afghanistan, South Sudan and the Syrian Arab Republic.
118. Despite some decreases in budget needs, overall beneficiary coverage is expected to increase. The decrease in nutrition-specific activities does not reflect the broad work that WFP continues to prioritize in 2022 by integrating nutrition into school-based, social protection, cash-based transfer, food systems and resilience, livelihood and asset creation and other programmes. Through this work, WFP aims to improve nutrition outcomes across systems for several million more people.

### Provisional implementation plan for 2022

119. The magnitude of needs that WFP aims to address is calculated from evidence-based assessments and projections. Prioritization becomes necessary when the resources mobilized fall short of operational requirements. Country offices must then revise their implementation plans, making difficult choices to manage the shortfall – such as prioritizing beneficiaries by vulnerability or geographic area, reducing the size of rations or limiting the duration of assistance – while seeking to implement their planned activities to the extent possible.
120. Table III.9 shows that the global WFP provisional implementation plan for 2022 is estimated to be USD 8.5 billion and aims to assist 115 million beneficiaries. This level constitutes 61 percent of the USD 13.9 billion in 2022 operational requirements and would provide assistance to 93 percent of the 124 million originally targeted beneficiaries. To allow WFP to serve the greatest possible number of targeted beneficiaries, most beneficiaries would receive smaller rations or receive them for less time than originally planned.

	<b>Operational requirements</b>	<b>Provisional implementation plan</b>	<b>Gap (%)</b>
2022 requirements ( <i>USD million</i> )	13 937	8 500	39
2022 beneficiaries ( <i>million</i> )	124	115	7

### Methodology used to develop the 2022 provisional implementation plan

121. The provisional implementation plan is based on the criticality of global needs, the anticipated availability of funding and the expected earmarking of contributions. It has been formulated at the global level and is driven mainly by two factors: the updated global funding forecast for 2022 of USD 8.4 billion, and the net use of estimated carry-over contribution balances of USD 100 million.<sup>36</sup> The 2021 implementation plan and operational requirements, and trends in past expenditures, have also been taken into consideration.
122. The resulting 2022 provisional implementation plan of USD 8.5 billion is for a global plan of work that aims to minimize the negative effects of funding shortfalls on targeted population groups and on performance targets and objectives. It shows prioritization by strategic outcome and

<sup>35</sup> WFP. 2021. *WFP Global Operational Response Plan, update #1*, February 2021.

<sup>36</sup> The carry over is the difference between available resources and expenditures in previous financial periods.

strategic result, corporate activity and assistance modalities and outlines how WFP intends to make the most efficient use of its forecasted resources and available funds to assist beneficiaries adequately while anticipating the potential consequences of operational challenges and respecting all earmarking and other conditions required by donors.

123. Each country office will create a detailed 2022 provisional implementation plan in the fourth quarter of 2021. These country-specific implementation plans will be made available on the CSP portal and will be used as the original implementation plan figures for 2022 used in financial statement V and in annual country reports.

### Analysis by strategic objective and strategic results

124. Table III.10 shows the provisional implementation plan by strategic objective and strategic result. In 2022, WFP will continue to prioritize work under Strategic Objective 1 (end hunger), which will account for USD 6.7 billion or 79 percent of the provisional implementation plan and will involve protection of the increasing number of people facing acute food insecurity owing to the COVID-19 pandemic, conflicts, economic shocks and extreme weather events. The urgency of emergency responses is particularly evident in countries such as South Sudan, the Syrian Arab Republic and Yemen, where populations face some of the greatest increases in chronic and severe food insecurity in the world.
125. As part of its strategy of prioritizing resources for the most effective hunger solutions, WFP will seek to maintain its efforts under Strategic Objective 5 (partner for SDG results), which will account for USD 597 million or 7 percent of the plan and be attributable mainly to Strategic Result 8 (enhance global partnership). In support of the achievement of SDG 17 and through robust collaboration with relevant stakeholders, WFP will respond to requests from national governments and partners for the provision of services. This reflects WFP's commitment to going beyond zero hunger efforts by contributing to the achievement of other SDGs.

<b>TABLE III.10: PROVISIONAL IMPLEMENTATION PLAN BY SUSTAINABLE DEVELOPMENT GOAL, STRATEGIC OBJECTIVE AND STRATEGIC RESULT</b>						
<b>SDG</b>	<b>Strategic Objective</b>		<b>Strategic Result</b>		<b>Provisional implementation plan (USD million)</b>	<b>Provisional implementation plan (%)</b>
2	1	End hunger	1	Access to food	6 723	79
	2	Improve nutrition	2	End malnutrition	556	7
	3	Achieve food security	3	Smallholder productivity and incomes	221	3
			4	Sustainable food systems	318	4
17	4	Support SDG implementation	5	Capacity strengthening	83	1
			6	Policy coherence	1	0
	5	Partner for SDG results	7	Diversified resourcing	0.4	0
			8	Enhance global partnership	597	7
<b>Total</b>					<b>8 500</b>	<b>100</b>



### Analysis by focus area

126. WFP's primary goal is saving lives. The global prioritization process increases the focus on crisis response and life-saving interventions, which at USD 6.9 billion account for 81 percent of the 2022 provisional implementation plan, compared with 77 percent of projected operational requirements. Accordingly, resilience building activities, particularly asset creation, livelihood support and nutrition activities, are proportionally reduced from 19 percent of operational requirements to 15 percent of the 2022 provisional implementation plan.
127. This resource prioritization reflects the commitment of WFP country offices to continuing to implement emergency life-saving work in ways that contribute to building resilience and to maintaining their long-term investments in tackling the root causes of hunger. It also reflects the foreseen level of earmarked contributions. Responses to root causes, accounting for 4 percent of both projected requirements and the global provisional implementation plan, remain stable.
128. Table III.11 compares the provisional implementation plan with the original operational requirements by focus area.

<b>Focus area</b>	<b>Operational requirements (USD million)</b>	<b>Operational requirements (%)</b>	<b>Provisional implementation plan (USD million)</b>	<b>Provisional implementation plan (%)</b>
Crisis response	10 770	77	6 899	81
Resilience building	2 614	19	1 295	15
Root causes	553	4	306	4
<b>Total</b>	<b>13 937</b>	<b>100</b>	<b>8 500</b>	<b>100</b>

### Analysis by activity category

129. Table III.12 shows the breakdown of the implementation plan by activity category. In line with the global strategy of prioritizing life-saving crisis response interventions, 64 percent or USD 5.4 billion of the 2022 prioritized plan of work will be directed to unconditional resource transfers for highly vulnerable people. This includes life-saving interventions in 70 countries for refugees, internally displaced persons and people affected by conflict, economic shocks and natural disasters.
130. Nutrition activities and nutrition-sensitive social protection programmes are also prioritized as being crucial in the fight against hunger. The estimated number of people at imminent risk of facing famine conditions in the absence of urgent, immediate life-saving action reached 41 million in June 2021.<sup>37</sup> The main objective of nutrition interventions is to increase people's dietary diversity by providing access to fortified foods through general distributions. These activities are valued at USD 945 million, or 11 percent of the provisional implementation plan.
131. WFP will continue to prioritize all service provision activities that are directly implemented by country offices in collaboration with relevant stakeholders in support of the achievement of SDG 17. These activities account for 7 percent of both operational requirements and the provisional implementation plan.

<sup>37</sup> WFP. 2021. WFP Global Operational Response Plan 2021. Update #2. June 2021.

**TABLE III.12: PROVISIONAL IMPLEMENTATION PLAN BY ACTIVITY CATEGORY**

<b>Activity category</b>	<b>Provisional implementation plan (USD million)</b>	<b>Provisional implementation plan (%)</b>
Unconditional resource transfers to support access to food	5 438	64
Nutrition activities	945	11
Asset creation and livelihood support activities	681	8
Common services and platforms	597	7
School feeding activities	549	6
Capacity strengthening activities – institutional	177	2
Other categories*	114	1
<b>Total</b>	<b>8 500</b>	<b>100</b>

\* Other categories include smallholder agricultural market support; climate adaptation and risk management; capacity strengthening activities – individual; emergency preparedness; analysis, assessment and monitoring; and others.

### Analysis by transfer modality

132. Table III.13 shows the breakdown of the provisional implementation plan by transfer modality. Of the total prioritized transfer costs for 2022, 55 percent, or USD 3.9 billion, is planned for the in-kind food modality. WFP will continue to supply in-kind food when it is the most efficient option, such as when markets are disrupted by conflict, inflation, poor harvests or restrictions related to COVID-19, while also optimizing modes of procurement and enhancing logistics activities.
133. Cash-based transfers account for USD 2.2 billion or 31 percent of the total transfer costs for the provisional implementation plan. WFP's CBT programmes – which have represented an average of 34 percent of total transfers over the last three years – have a demonstrated positive impact on nutrition because they promote the provision of fresh and diverse food.

**TABLE III.13: PROVISIONAL IMPLEMENTATION PLAN BY TRANSFER MODALITY**

<b>Transfer and associated cost</b>	<b>2022 provisional implementation plan (USD million)</b>	<b>% of total transfer cost</b>
Food	3 919	55
CBTs	2 208	31
Cash	1 606	23
Value vouchers	603	8
Commodity vouchers	158	2
Capacity strengthening	322	5
Service delivery	510	7
<b>Total transfer costs</b>	<b>7 118</b>	<b>100</b>
Implementation cost	555	
Direct support costs	320	
<b>Total direct costs</b>	<b>7 993</b>	
Indirect support costs	507	
<b>Total</b>	<b>8 500</b>	

## Special accounts and trust funds supporting Sustainable Development Goal 17 and country strategic plan activities

134. In the CSP framework all country-level activities and resources are consolidated in a single financial structure. However, there are also activities that are accounted for through headquarters trust funds and special accounts and that contribute to the achievement of SDG 17 or aim to amplify WFP's impact by focusing on specific programme areas agreed with donors. A complete list of trust funds and special accounts and their associated 2022 expenditures can be found in annex V.
135. WFP provides services to the humanitarian community in line with its mandate, policies, activities and comparative advantages. Service provision activities can be divided into mandated common services (services administered by WFP, such as UNHAS and the WFP-led logistics and emergency telecommunications clusters) and on-demand services (services provided by WFP at the request of external parties in exchange for payment). The following are examples of services managed at the global level and accounted for through special accounts:
- The *United Nations Humanitarian Response Depot (UNHRD)* network is a key emergency preparedness and response service provided to the humanitarian community (including United Nations, international, government and non-governmental organizations). It consists of six hubs at strategic locations and holds stocks of goods designed to support relief organizations in responding to emergencies, such as medical kits, shelter items, ready-to-use supplementary foods, IT equipment and other assets. One of the main outcomes expected in 2022 is a repositioning of the network within WFP's integrated supply chain service provision. Transactions related to UNHRD are projected to cost USD 75 million in 2022.
  - The *aviation special account* is a funding mechanism for the administrative and management structure of the WFP Aviation Service, which provides services to internal and external customers. The account facilitates the management of the income generated to enable the service to respond promptly to emergencies, which is projected to cost USD 25 million in 2022.
  - The *humanitarian logistics special account* covers estimated transactions of USD 20 million and is a vital funding tool that consolidates the financial transactions for logistics services provided to customers.
  - The *special account for the emergency telecommunications cluster* facilitates the provision of shared communication services in humanitarian emergencies.
136. Trust funds for headquarters and the regions will be used to support the enhancement of WFP's organizational capacity and effectiveness through activities in the following areas:<sup>38</sup>
- The *African Risk Capacity* trust fund is designed to help strengthen and improve the capacity of African governments to prepare for and respond to extreme weather events and natural disasters by enabling them to manage risks efficiently and secure funds from donors and the international risk market. Pre-approved contingency plans help countries to improve the predictability and speed of their responses to natural disasters. Transactions related to the African Risk Capacity fund are projected to be USD 17 million in 2022. The African Risk Capacity is a specialized agency of the African Union. WFP has an administrative service agreement through which it provides administrative, technical and financial services to the agency.

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<sup>38</sup> A complete list of trust funds and special accounts and their associated 2022 expenditure estimates can be found in annex V.

- The *COVID-19 global response trust fund* enables WFP to support humanitarian partners successfully through implementation of critical services and supply chain activities that ensure an efficient response to the pandemic, such as by providing cargo and passenger transport and coordinating medical evacuations. The fund has supported investments in infrastructure upgrades in key regional hubs and the procurement of deployable pharmaceutical-grade refrigerated containers to augment in-country capacity. The estimated expenditure for activities in 2022 is USD 16 million.
- The *Joint United Nations Programme on HIV/AIDS (UNAIDS)* trust fund was established in 2003 to support the efficient implementation of nutrition activities in response to the global HIV/AIDS health crisis by contributing to the effective functioning of the HIV/AIDS portfolio and to a strengthened UNAIDS partnership. The trust fund ensures the integration of activities at the global, regional and country levels, including WFP's core-funded activities that target the food security and nutrition support components of the HIV response. The estimated expenditure for activities in 2022 is USD 3.4 million.
- A *school feeding trust fund* was established at headquarters in 2010 to support strategic global school feeding efforts. In 2022, the trust fund expects expenditures of USD 5 million to support most of the pioneering initiatives presented in WFP's school feeding strategy for 2020–2030 and to help WFP implement key recommendations of a corporate strategic evaluation of school feeding,<sup>39</sup> such as by developing regional implementation plans, promoting international research, providing technical support to country offices and governments and rolling out digital school feeding solutions.
- The WFP Regional Centre of Excellence against Hunger and Malnutrition in Côte d'Ivoire plays a key role in highlighting WFP's capacity to support and scale up integrated resilience operations in the Sahel in order to generate transformative impacts at the humanitarian–development–peace nexus. A trust fund ensures that the Regional Bureau for Western Africa has the capacity and resources to support the scale-up of resilience activities, which will continue to be one of WFP's corporate priorities in 2022. Expenditures of USD 1 million are projected in 2022.
- In 2021, WFP established a health supply chain trust fund to enhance the resilience of in-country public health supply chains, increase the effectiveness of responses to health shocks and reduce the impact of such shocks on universal health care coverage. For 2022, expenditures of USD 2.5 million are projected.

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<sup>39</sup> WFP. 2021. *Summary report on the strategic evaluation of the contribution of school feeding activities to the achievement of the Sustainable Development Goals* (WFP/EB.A/2021/7-B).

## Section IV: Bottom-up strategic budgeting exercise process and baseline prioritization

### Overview

137. The Executive Director launched the bottom-up strategic budgeting exercise (BUSBE) in 2020 to determine the optimal programme support and business operations requirements for headquarters divisions and regional bureaux and to ensure that WFP's internal resource allocation processes result in allocations that align with its priorities, are sufficient to support programme needs through the most appropriate funding sources and are used in accordance with WFP rules and regulations.
138. The BUSBE addresses several realities concerning budget allocation:
- WFP has grown significantly in recent years in response to an increasingly complex operational environment resulting from the growing number of emergencies and assistance modalities, such as cash-based transfer programmes, interventions in nutrition and climate adaptation, and work at the humanitarian–development–peace nexus. This necessitates a review of the adequacy of WFP's support structure in sustaining the growth of operations while ensuring efficiency and a more coherent approach.
  - The evolution of PSA budgets and increasing extrabudgetary resources has led to inconsistent funding across WFP's organizational structure. This may in part be explained by the fact that PSA budgets are set in advance and that total organizational income in recent years has been exceeded by approximately USD 1 billion annually.
  - The mix of PSA and extrabudgetary resources varies significantly between headquarters divisions and regional bureaux. Initiatives that match donor priorities, and situations in which donors require additional assurance that funding will be dedicated to a specified purpose, attract extrabudgetary funding – for example, much of the funding for the supply chain and programme areas is sourced from outside the PSA budget – thereby creating uneven funding across WFP.
  - The use of extrabudgetary funding sources has resulted in a modest PSA budget but has not optimized the funding sources for WFP's programme support and business operations requirements or ensured consistent and predictable funding for important activities. The approach has also resulted in an increase in the number of consultants who are funded from outside the PSA budget.
  - The United Nations reform and other evolving United Nations initiatives (such as those of the business innovations group of the United Nations Sustainable Development Group, and the cost classification exercise for funds and programmes) also need to be considered in any effort to optimize the PSA budget.
139. The four objectives of the BUSBE are to:
- ensure the use of the optimum funding sources for activities;
  - enable a more efficient use of funding;
  - improve the transparency of funding for headquarters divisions and regional bureaux; and
  - examine the PSA funding provided to country offices.
140. To achieve the objectives, four workstreams have been identified:
- *Budget governance:* Assess the current budget governance structures for all funding sources.

- *Cost recovery analysis:* Catalogue the cost recovery models used at WFP and make recommendations that support the development of a standard corporate position on cost recovery.
- *Country office budget analysis:* Analyse country office budgets in order to define the optimum standard country office structure for funding from the PSA budget.
- *Technical budgeting:* Examine the current use of various funding sources for the budgets of headquarters divisions and regional bureaux and revise the structure of the breakdown of work among WFP's appropriation lines to optimize the allocation of funding based on the nature of each of the activities being funded. The new budget model will then be applied and implemented as part of the management plan for 2022–2024.

141. The results of the country office budget analysis and technical budgeting workstreams are reviewed in this section of the management plan; further details on each workstream and the progress made can be found in annex VI.

### **BUSBE approach**

142. The exercise included an in-depth analysis of WFP's programme support and business operations requirements and a review of the current sources of funding for those requirements. A phased approach was employed to ensure a solid foundation upon which to conduct a thorough review and achieve tangible benefits that address the expectations of the Board and the senior management group. Phase I of the exercise, in 2020, focused on an analysis of the current state of budgeting at WFP, particularly through the identification of findings and the formulation of recommendations related to the allocation and management of PSA and extrabudgetary funding. In 2021, phase II has included implementation of the recommendations from phase I, building on the essential foundational work including the revised work breakdown structure. A thorough assessment of the funding needs and priorities of headquarters divisions and regional bureaux was conducted to inform the budget requests that are presented in this management plan.

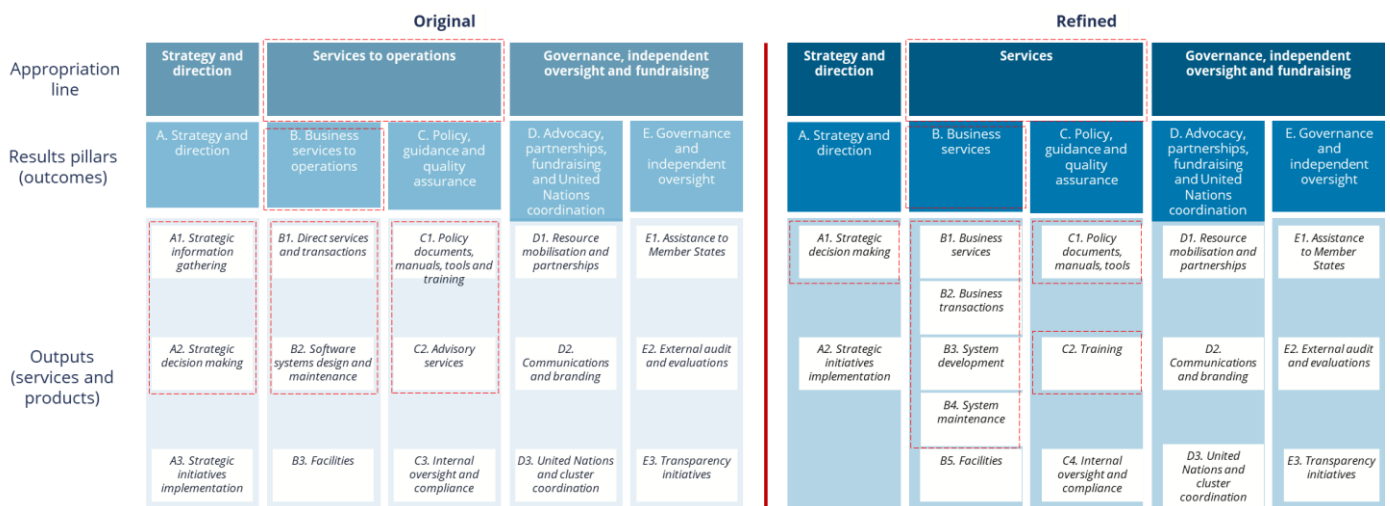
143. The recommendations from phases I and II will be implemented in 2022, as described in this management plan. The advantages derived are expected to be greater consistency and transparency and a more optimal use of resources.

### **Work breakdown structure**

144. In divisional budgets, programme support and business operations work is classified according to the management performance structure in the three main appropriation lines and the five results pillars followed by a hierarchy of outputs, as shown in figure IV.1. This framework allows WFP to compare and track spending across divisions and regional bureaux and is also used for the reporting of data in the management plan. The hierarchy has been refined to ensure that it can be applied consistently and will facilitate the differentiation of expertise required for activities.

145. Implementation of the refined structure for 2022 has been approved by the leadership group. As a result of the changes made, the structure now distinguishes between direct and central costs and between one-time and recurring costs. Services and outputs have been merged into pillar A; pillar B now includes subcategories for business services and business transactions and differentiates between system development and system maintenance; and pillar C now contains a dedicated output for training.

**Figure IV.1: Changes to the work breakdown structure**



## Baseline budget and other services

146. During phase II of the BUSBE, the budget principles and approach defined in phase I were applied to the annual budget preparation exercises for headquarters and regional bureaux. Budgets for 2022 were submitted using a new template that was designed to identify, for the first time, all programme support and business operations activities irrespective of their funding sources, along with their full cost breakdowns, including the salary costs of all employees. This template established principles for the prioritization of activities.
147. The BUSBE also introduced the concept of a “baseline” budget, which was intended to identify “baseline activities”, essential activities that contribute to the efficient and effective delivery of the annual implementation plan but that cannot be readily traced to individual CSPs.
148. These activities include the fulfilment of WFP’s institutional obligations through corporate management, representation and administrative functions, operational services, policy and advisory functions and oversight functions. Essential activities enable WFP to achieve its goals, strategic direction and priorities, ensure delivery of value for money and position the organization to mitigate emerging risks.
149. Baseline activities may be recurring or one-time (within a single year or a within a multi-year period). Baseline activities are funded by indirect support cost (ISC) revenue and may also be funded by management cost recovery fees and directed donor contributions.
150. The classification of activities as baseline may evolve over time, in line with the maturity of WFP’s cost accounting, which can allow certain services to be traced to individual CSPs. In this regard, some specific activities can be funded from direct charges to CSPs from 2022 onwards as they can be tied to specific operations. These activities include the provision to WFP of ocean transport services with a total cost of approximately USD 2.7 million and the sourcing of food, goods and services for global operations, with a total cost of approximately USD 2.7 million. A third area in which to introduce direct charging is beneficiary management, which supports WFP’s efforts to develop an end-to-end approach to managing its data on beneficiaries and has a total cost of approximately USD 7.0 million.
151. For all three areas – ocean transport services, sourcing of food, goods and services, and beneficiary management special accounts will be set up to isolate and account for the costs and their recovery from operations. These costs therefore do not appear as baseline in this management plan. Information on costs that are classified as direct, and other fee-for-service activities can be found in section VI.



152. Principles have been established for determining whether direct funding is appropriate; in particular, a transactional activity is eligible for direct funding if it can be tied to a specific operation, while a normative activity or one related to oversight must remain indirect.
153. As a complement to baseline activities, the BUSBE created a second category – “other services” – to capture surge or scale-up activities, activities that bridge shortfalls and initiatives that are timebound or new.

### Baseline prioritization and review process

154. While the budget submission exercise was driven primarily by the classification of activities into baseline or other services and direct or indirect, corporate priorities and their related outcomes were also used. Refined guidance on WFP’s priorities was provided to enable headquarters divisions and regional bureaux to analyse how their activities contribute to those priorities and to align their 2022 activities accordingly.

	<b>Total 2022</b>	<b>% of total</b>
Leadership in emergencies	89.5	14
Funding and partnerships for zero hunger	155.0	24
Excellence in programme	118.0	18
Digital transformation	31.4	5
Unlocking WFP’s potential: simplification and efficiency	64.7	10
People management	82.9	13
Not directly tied to a corporate priority	78.0	12
Central appropriations (not linked to priorities)	28.7	4
<b>Total</b>	<b>648.3</b>	<b>100</b>

155. The six corporate priorities that guide the development of budget submissions are leadership in emergencies; funding and partnerships for zero hunger; excellence in programme; digital transformation; unlocking WFP’s potential – simplification and efficiency; and people management.
156. Table IV.1 summarizes the corporate priorities aligned with baseline activities, excluding any direct or fee-for-service activities. The three leading priorities are funding and partnerships for zero hunger (USD 155.0 million), excellence in programme (USD 118.0 million) and leadership in emergencies (USD 89.5 million). Activities that can be linked to multiple corporate priorities or that did not directly contribute to any priority have been marked as “Not directly tied to a corporate priority” and include transactional activities and central appropriations.
157. After submission, all budgets were subject to a quality control process and review by heads of departments. Recommended changes for improving clarity, alignment with the revised work breakdown structure, identification of existing funding sources and selection of appropriate corporate priorities were then reviewed with divisions, global offices and regional bureaux. A committee was convened to review the budget submissions; its recommendations resulted in a reduction in unfunded baseline budget requests, based on the criteria of efficiency gains and absorption capacity and the identification of more appropriate funding sources for specific activities.

158. Recommendations were then provided to the Executive Director, who approved the total baseline budget for 2022 for headquarters and regional bureaux – from all available funding sources and split by recurring and one-time costs – in the amount of *USD 648.3 million*. This amount covers all necessary business processes and activities critical to maintaining operations, which WFP commits to funding.
159. In contrast to previous management plans, which presented the PSA budget alone, this management plan also presents the baseline budget, which encompasses all essential indirect costs to headquarters and regional bureaux regardless of funding source; historical analysis of the baseline budget is therefore not possible.

### Presentation of baseline budget

160. Tables IV.2 to IV.6 articulate and expand on WFP’s planned objectives and priorities for 2022 by presenting the total baseline budget by appropriation line, object of expenditure, department, employee position count and funding source.

<b>TABLE IV.2: BASELINE ALLOCATIONS BY APPROPRIATION LINE (USD million)</b>				
	<b>Recurring</b>	<b>One-time</b>	<b>Total 2022</b>	<b>% of total</b>
<b>Strategy and direction</b>	<b>118.3</b>	<b>14.1</b>	<b>132.4</b>	<b>20</b>
A – Strategy and direction	118.3	14.1	132.4	20
<b>Services</b>	<b>280.2</b>	<b>32.7</b>	<b>312.9</b>	<b>48</b>
B – Business services	188.0	23.8	211.9	33
C – Policy, guidance and quality assurance	92.1	8.9	101.1	16
<b>Governance, independent oversight and fundraising</b>	<b>153.4</b>	<b>20.9</b>	<b>174.3</b>	<b>27</b>
D – Advocacy, partnerships, fundraising and United Nations coordination	112.4	20.6	133.0	21
E – Governance and independent oversight	41.0	0.3	41.3	6
<b>Central appropriations</b>	<b>28.7</b>	<b>0.0</b>	<b>28.7</b>	<b>4</b>
<b>Total</b>	<b>580.6</b>	<b>67.7</b>	<b>648.3</b>	<b>100</b>

161. Table IV.2 summarizes the 2022 baseline budget in terms of the three main appropriation lines and five pillars of the management plan and split into recurring and one-time costs. Recurring costs account for 90 percent of the baseline budget and one-time costs for 10 percent. The major one-time costs include two proposed critical corporate initiatives (see section VII for additional details on critical corporate initiatives).
162. When analysing the recurring baseline costs among appropriation lines, services account for 48 percent, or USD 280.2 million, of the total baseline budget of USD 580.6 million. Strategy and direction accounts for 20 percent, governance, independent oversight and fundraising for 26 percent and central appropriations for 5 percent. Details on central appropriations are provided in section V.

163. The provision of full transparency on the baseline budget clarifies the cost of WFP's programme support and business operations activities worldwide and their contributions to the appropriation lines, with activities pertaining to pillars A and B accounting for half of the total baseline budget.

<b>TABLE IV.3: BASELINE ALLOCATIONS BY OBJECT OF EXPENDITURE (USD million)</b>			
	<b>Employee</b>	<b>Non-employee</b>	<b>Total 2022</b>
Recurring*	436.2	144.4	<b>580.6</b>
One-time	27.6	40.1	<b>67.7</b>
<b>Total</b>	<b>463.8</b>	<b>184.5</b>	<b>648.3</b>

\* Recurring activities include central appropriations

164. Table IV.3 summarizes baseline allocations by object of expenditure, split between employee and non-employee costs. Employee costs cover all employees irrespective of contract type and location, while non-employee costs cover several other expense categories.<sup>40</sup> The majority of planned recurring costs are employee costs – USD 436.2 million or 75 percent of the total recurring baseline budget of USD 580.6 million –. Employee costs for the one-time baseline budget are estimated at USD 27.6 million or 41 percent of total one-time costs. Table IV.3 summarizes employee categories.

<b>TABLE IV.4: BASELINE ALLOCATIONS BY DEPARTMENT (USD million)</b>			
	<b>Recurring</b>	<b>One-time</b>	<b>Total 2022</b>
<b>Country offices</b>	<b>43.0</b>	<b>0.0</b>	<b>43.0</b>
<b>Regional bureaux</b>	<b>114.8</b>	<b>8.0</b>	<b>122.8</b>
<b>Headquarters</b>	<b>394.1</b>	<b>59.7</b>	<b>453.8</b>
Chief of Staff	9.1	0.0	<b>9.1</b>
Divisions reporting to the Executive Director	46.3	0.0	<b>46.3</b>
Deputy Executive Director Department	91.0	20.1	<b>111.1</b>
Partnerships and Advocacy Department	63.7	17.8	<b>81.4</b>
Programme and Policy Development Department	56.2	13.9	<b>70.1</b>
Resource Management Department	97.2	2.4	<b>99.5</b>
Workplace Culture Department	30.5	5.6	<b>36.2</b>
<b>Central appropriations</b>	<b>28.7</b>	<b>0.0</b>	<b>28.7</b>
<b>Total</b>	<b>580.6</b>	<b>67.7</b>	<b>648.3</b>

<sup>40</sup> Non-employee costs include overtime, duty travel, training, rental of premises and equipment, utilities, cleaning and maintenance, office supplies and expenditures, communications and IT services and equipment, IT per capita, insurance, vehicle leasing and running, hospitality, services from other United Nations agencies, contributions to United Nations entities, governing bodies, legal services, and others.

165. Table IV.4 summarizes the baseline allocations by department and highlights how much of the cost incurred by various organizational units is recurring and one-time.
166. Headquarters accounts for 68 percent (USD 394.1 million) of the recurring baseline budget and 88 percent of the one-time baseline budget and central appropriations 5 percent (USD 28.7 million) of the recurring baseline budget. Regional bureaux account for 20 percent (USD 114.8 million) of the recurring baseline budget and 12 percent (USD 8.0 million) of the one-time baseline budget. Country offices account for 7 percent (USD 43.0 million) of the recurring baseline budget.
167. The highest departmental baseline budgets are planned for the Deputy Executive Director Department, totalling 17 percent or USD 111.1 million, and the Resource Management Department, totalling 15 percent or USD 99.5 million.
168. The departments with the largest shares of their baseline budgets allocated to one-time activities are the Partnerships and Advocacy Department (22 percent), the Programme and Policy Development Department (20 percent) and the Deputy Executive Director Department (18 percent).

### **Country offices**

169. The country office baseline budget has been designed to support core functions that are not directly attributable to operations. The USD 43 million recurring baseline budget covers country director positions, a national staff assistant for each country director, a driver for each office and basic office running costs. The budget also includes a contingency fund of USD 1.5 million to be allocated in the event of unexpected in-country indirect costs that cannot be funded from other sources. The baseline costs for country offices are deemed to be necessary for in-country presence in that they are aimed at ensuring sufficient strategic, representative, advocacy and partnership capacity.

### **Regional bureaux**

170. In 2022 the regional bureaux will prioritize their provision of support for country offices in the transition of field activities to COVID-19 recovery programmes, and in accordance with the new strategic plan for 2022–2026, contribute more efficiently to the achievement of the SDGs. The regional bureaux will continue to focus on preparing and implementing regional strategies for programme design, supply chain management, resource mobilization and partnerships, and the sharing of best practices among country offices. Through their activities, the bureaux provide strategic and technical assistance to country offices in designing, implementing and assessing the performance of CSPs with a view to better meeting WFP's global objectives while maintaining the customization of activities to suit country and regional conditions.

### **Chief of Staff Department**

171. The budget for the Department of the Chief of Staff includes the Office of the Executive Director and the Operations Management Support Office. It also includes the recently established data protection function. As the liaison office for regional bureaux and country offices, the Operations Management Support Office will continue to play a key role in supporting the field offices in a range of core and cross-cutting operational thematic areas.

### **Divisions reporting to the Executive Director**

172. The divisions reporting to the Executive Director will continue their mandated oversight activities in support of the achievement of WFP's objectives. The baseline budget for legal services reflects the growing diversity of WFP's donors and partners and the organization's reliance on innovative partnership arrangements and programme modalities. The Office of Evaluation will begin implementing the new evaluation policy and coordinating the planned increase in CSP evaluations to meet the minimum coverage norms for evaluation under the

CSP policy. The Office of the Inspector General will assign high priority to addressing complaints of sexual exploitation and abuse, increasing the intake and speedy resolution of alleged misconduct cases and the implementation of a comprehensive audit framework. The Ethics Office will continue its mandated activities to contribute to a culture of ethics and accountability in WFP and enable all employees to act in accordance with the highest standards of conduct and integrity. The Office of the Ombudsman offers informal conflict resolution services to all employees of WFP. Activities for 2022 include mediation and capacity building services, which are increasingly provided to WFP employees worldwide.

### **Deputy Executive Director Department**

173. Priorities of the Supply Chain Operations Division in 2022 include the enhancement of traceability “from farm to fork”, with support from private sector stakeholders; an assessment of the economic impact of WFP’s supply chain activities on local economies; the implementation of the local and regional food procurement policy approved by the Board in 2019; the adoption of international food safety and quality standards for all WFP suppliers; the establishment of a structure for handling increasing requests for service provision activities; enhanced market assessments for the retail sector; and reduction of the environmental and social impacts of WFP’s procurement actions. The Supply Chain Operations Division budget for baseline activities in 2022 reflects a focus on the fully funded temperature-sensitive logistics project with a total cost of USD 16.3 million, which includes investments in infrastructure upgrades in key regional hubs and the procurement of deployable pharmaceutical-grade refrigerated containers to augment in-country capacity for handling and storing temperature-sensitive items such as vaccines.
174. The Emergency Operations Division will ensure that surge capacity is available for all key functions, enabling WFP to scale up rapidly and coordinate operations effectively. It will pursue a “no regrets” stance, including by simplifying procedures when emergencies arise. The Operations Centre will serve as the source of information on, and the coordinator of, corporate response priorities; early warning analysis and preparedness activities, including geospatial information, will continue to be prioritized with a view to enabling effective and efficient responses before crises hit and facilitating operational awareness and decision making throughout WFP and the humanitarian community. The Emergency Operations Division will invest in efforts to mitigate operational access constraints, including the expansion of humanitarian–military interaction and capabilities for negotiating access. The division will strengthen WFP’s leadership role in the food security, logistics and emergency telecommunication clusters and will expand its inter-agency leadership and influence through deeper engagement on operational response requirements with the Inter-Agency Standing Committee Emergency Directors Group and the wider United Nations system with the aim of enabling the humanitarian community to respond more effectively to emergencies. Partnerships with the private sector and other non-traditional partners and arrangements with stand-by partners will be augmented to facilitate such rapid response. Continued use of the Brindisi training centre will ensure that staff and partners have the expertise needed to respond to current and future crises.
175. The Security Division will continue to work to enable WFP to conduct its activities and to implement its strategic objectives in a manner that ensures the safety and security of its personnel, operations, premises and assets. In 2022, the division will continue to provide services for the management of technical and strategic security risks in operations and will increase the use of data and technology while focusing on enhancing its own capacity to respond to emergencies and developing tools and guidance that support preparation for and the prevention of security incidents.

176. In 2022, demand for the support services provided to the Executive Board by the Executive Board Secretariat will be increased, particularly with regard to the elaboration of second-generation CSPs, which will entail more meetings and more documentation. The Executive Board Secretariat will deploy additional staff and resources and implement upgraded systems in order to cope with the increased demand.

### **Partnerships and Advocacy Department**

177. The Partnerships and Advocacy Department's budget for 2022 reflects the investment required to deliver on agreed corporate priorities and to implement the third year of the private sector partnership and fundraising strategy. The strategy focuses on the three funding sources that have the most potential to improve WFP's impact and increase funding: individuals, foundations and businesses of all sizes, ranging from large global corporations to small and medium-sized local enterprises. The main activities supporting the strategy include increasing the funding available for WFP operations and enabling the provision of enhanced support and services for the field; diversifying WFP's funding sources; and resuming the essential basic activities required for effective partnership management, which were interrupted in 2020 as a result of restrictions related to the COVID-19 pandemic.

### **Programme and Policy Development Department**

178. The Programme and Policy Development Department leads corporate efforts to develop and implement the strategic plan and ensure the quality of WFP's programmatic offer in all settings. Those efforts include putting in place the policies, strategies, partnerships, tools and capacities to enable WFP to deliver on its mandate of saving lives and changing lives by delivering assistance directly where it is needed and facilitating national zero hunger solutions.
179. To achieve programme excellence, four priority outcomes have been identified for the department in 2022: strengthened national systems for addressing hunger and malnutrition; enhanced WFP's readiness to deliver on its saving lives and changing lives mandate; scaled up support for the creation of assets, livelihoods and infrastructure that help young people, women and men, communities and governments to manage risk and build resilience with regard to recurring and compounding shocks and stressors; and positioning of WFP as the "operational voice" in the political dialogue on hunger and conflict and gender equality and women's empowerment.
180. The Programme and Policy Development Department's budget submission reflects these priorities through the work of its main divisions and offices. This includes key commitments and initiatives that support the implementation of approved policies, including in regional bureaux and country offices, notably in the areas of gender equality and women's empowerment, local and regional food procurement, and protection and accountability to beneficiaries. In addition, the budget covers responses to audit and evaluation findings – such as in the areas of beneficiary information management, oversight of non-governmental organizations, and school feeding activities – and increased support for the promotion of resilient food systems, including through priority activities identified during the forthcoming United Nations food systems summit.

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## Resource Management Department

181. The 2022 budget of the Resource Management Department will allow the department to continue to pursue its mission of harnessing innovation and best practices to drive enhanced performance, safeguard resources and facilitate frontline operations. The department will continue to carry out its fiduciary financial and budgetary duties, provide robust financial management and deliver foundational technology, connectivity and facilities management services. This will include continued enhancement of the detection and prevention of complex cyber incidents in order to protect WFP's data and that of beneficiaries, mature risk management and implementation of the revised anti-fraud and anti-corruption policy and the comprehensive occupational safety and health framework launched in 2021.
182. The budget governance secretariat in the department will administer a new budget governance system, with mechanisms and frameworks designed to ensure that the allocation process is transparent, robust and aligned with corporate priorities and needs in the field. Stronger links between resource allocations and performance will be forged through the implementation of the line of sight and the corporate results framework in the new strategic plan.
183. Greater emphasis will be placed on providing support in the field for the adoption of innovative, technology-enabled, new ways of working, including green practices, and on strengthening beneficiary-centred digital solutions.

## Workplace Culture Department

184. Building on the corporate priority related to people management, WFP has recognized the need to adopt a more systematic approach to ensuring the continuous improvement of its workforce management and workplace culture. The creation of the Workplace Culture Department in September 2020, led by an Assistant Executive Director, underscores the importance placed on WFP's duty of care to its employees and brings a more strategic and holistic approach to human resources and people management while ensuring that all of WFP's people have equal chances to thrive in an improved, inclusive and respectful workplace.
185. To reach this ambitious goal, a number of critical enablers will be implemented during the period of this management plan, including the approved wellness strategy for 2020–2024, the draft human resources strategy and the WFP people policy. WFP is the first agency in the United Nations system to have a people policy that defines a vision of the future workforce, establishes a framework for achieving excellence in people management and enables the integration and streamlining of multiple ongoing initiatives in people management.
186. As proposed during the informal consultation with the Board on the WFP people policy, a people and culture coordination unit will be established. The unit will coordinate, communicate and engage with stakeholders on the implementation of those multi-disciplinary initiatives that are linked to the people policy. Specifically, the unit will coordinate the implementation of the critical corporate initiative on investing in WFP people (see section VII), which aims to strengthen capacity in all WFP offices and units and to promote a more people-centred approach with a strong focus on activities in regional bureaux and country offices.

<b>TABLE IV.5: BASELINE ALLOCATION BY EMPLOYEE POST COUNT</b>						
<b>Employee Category</b>	<b>A. Strategy and direction</b>	<b>B. Business services</b>	<b>C. Policy guidance and quality assurance</b>	<b>D. Advocacy, partnerships, fundraising and United Nations coordination</b>	<b>E. Governance and independent oversight</b>	<b>Total 2022</b>
<b>A. Recurring baseline</b>						
Professional and higher	246	322	239	268	128	<b>1 204</b>
Professional and higher (short-term)	28	49	33	22	4	<b>137</b>
General service	72	286	43	60	27	<b>488</b>
General service (short-term)*	4	29	3	3	0	<b>40</b>
Consultants	158	336	153	225	21	<b>893</b>
Local staff**	135	368	102	126	6	<b>736</b>
Temporary assistance***	17	56	36	30	12	<b>151</b>
<b>Recurring Total</b>	<b>659</b>	<b>1 446</b>	<b>611</b>	<b>734</b>	<b>199</b>	<b>3 648</b>
<b>B. One-time baseline</b>						
Professional and higher	26	16	18	6		<b>65</b>
Professional and higher (short-term)	6	3	6	1		<b>15</b>
General service	2	4	2	1		<b>9</b>
General service (short-term)*						<b>0</b>
Consultants	32	19	19	5	1	<b>76</b>
Local staff**	10	18	12	1	1	<b>41</b>
Temporary assistance***	5	7	0	1	2	<b>15</b>
<b>One-time Total</b>	<b>82</b>	<b>66</b>	<b>56</b>	<b>14</b>	<b>4</b>	<b>222</b>
<b>Grand Total</b>	<b>741</b>	<b>1 512</b>	<b>667</b>	<b>748</b>	<b>202</b>	<b>3 870</b>

\* Excluding general service staff in regional bureaux and country offices, who are included in the "local staff" category.

\*\* Comprising national professional officers and general service staff in regional bureaux and country offices, excluding short-term staff.

\*\*\* Comprising people engaged globally as short-term local staff, daily consultants, service contractors, interns, volunteers, and others engaged under similar arrangements.

187. Tables IV.5 show WFP's post count for supporting the baseline activities planned for 2022, by pillar. The total planned number of posts in 2022 is 3,870 – 3,648 related to recurring and 222 for one-time activities. Pillar B accounts for nearly 40 percent, while Pillar E accounts for the lowest percentage of posts, with 5 percent of the total.



188. For both recurring and one-time posts, the professional staff account for a total of 1,421 posts or 37 percent, and consultants for 969 posts or 25 percent, followed by local staff and temporary assistance.

### Overview of funding sources

189. One of the main objectives of the BUSBE is to ensure the use of the optimal funding sources for WFP activities. In addition to the separation of activities into baseline and other services, further separations based on attributes such as whether activities are recurring, one-off, direct or indirect have been introduced.
190. WFP has committed to fully funding the baseline activities planned for 2022, which based on the projected level of operational activities total USD 648.3 million. In addition to PSA funding totalling USD 496.1 million and funding from the PSA equalization account totalling USD 40.6 million, funding sources also include existing trust funds (with USD 51.3 million) and special accounts (with USD 44.1 million funded from the management cost recovery fees charged to external users of WFP services, or from directed contributions) and new trust funds and special accounts (with USD 16.2 million).
191. Close to 90 percent of the total funding source are related to recurring activities, of which the majority equalling USD 489.5 million is funded from PSA (84 percent). With USD 20.1 million, the highest allocation of one-time costs (30 percent) occurs under the Deputy Executive Director Department primarily consisting of the existing trust funds and special accounts.

<b>TABLE IV.6: BASELINE ALLOCATIONS BY FUNDING SOURCE - (USD million)</b>					
	<b>PSA</b>	<b>PSA Equalization Account*</b>	<b>Existing Trust Funds and Special Accounts</b>	<b>New Trust Funds and Special Accounts</b>	<b>Total 2022</b>
<b>A. Recurring</b>					
<b>Country offices</b>	<b>43.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>43.0</b>
<b>Regional bureaux</b>	<b>104.6</b>	<b>6.4</b>	<b>3.8</b>	<b>0.0</b>	<b>114.8</b>
<b>Headquarters</b>	<b>313.2</b>	<b>2.4</b>	<b>65.8</b>	<b>12.6</b>	<b>394.1</b>
Chief of Staff	9.1	0.0	0.0	0.0	<b>9.1</b>
Divisions reporting to the Executive Director	45.0	0.0	1.3	0.0	<b>46.3</b>
Deputy Executive Director Department	54.2	0.3	34.3	2.2	<b>91.0</b>
Partnerships and Advocacy Department	58.7	0.0	5.0	0.0	<b>63.7</b>
Programme and Policy Development Department	40.6	1.9	4.1	9.6	<b>56.2</b>
Resource Management Department	75.7	0.0	21.0	0.5	<b>97.2</b>
Workplace Culture Department	29.9	0.2	0.2	0.3	<b>30.5</b>

<b>TABLE IV.6: BASELINE ALLOCATIONS BY FUNDING SOURCE - (USD million)</b>					
	<b>PSA</b>	<b>PSA Equalization Account*</b>	<b>Existing Trust Funds and Special Accounts</b>	<b>New Trust Funds and Special Accounts</b>	<b>Total 2022</b>
<b>Central appropriations</b>	<b>28.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>28.7</b>
<b>Recurring Total</b>	<b>489.5</b>	<b>8.8</b>	<b>69.7</b>	<b>12.6</b>	<b>580.6</b>
<b>B. One-time</b>					
<b>Country offices</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Regional bureaux</b>	<b>0.7</b>	<b>7.0</b>	<b>0.3</b>	<b>0.0</b>	<b>8.0</b>
<b>Headquarters</b>	<b>5.9</b>	<b>24.9</b>	<b>25.4</b>	<b>3.5</b>	<b>59.7</b>
Chief of Staff	0.0	0.0	0.0	0.0	<b>0.0</b>
Divisions reporting to the Executive Director	0.0	0.0	0.0	0.0	<b>0.0</b>
Deputy Executive Director Department	0.5	0.8	18.8	0.0	<b>20.1</b>
Partnerships and Advocacy Department	0.0	17.8	0.0	0.0	<b>17.8</b>
Programme and Policy Development Department	4.3	0.3	5.8	3.5	<b>13.9</b>
Resource Management Department	1.2	0.4	0.7	0.0	<b>2.4</b>
Workplace Culture Department	0.0	5.6	0.0	0.0	<b>5.6</b>
<b>Central appropriations</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>One-time total</b>	<b>6.7</b>	<b>31.9</b>	<b>25.7</b>	<b>3.5</b>	<b>67.7</b>
<b>Grand Total</b>	<b>496.1</b>	<b>40.6</b>	<b>95.4</b>	<b>16.2</b>	<b>648.3</b>

\* PSAEA reflects baseline only and excludes "other services".

### **Programme support and administrative budget**

192. The purpose of the PSA budget is to provide essential programme and administrative support for WFP's operations. It is funded from the ISC recovered from contributions, in accordance with WFP's full cost recovery policy. It supports changes in operational needs and the implementation of policy commitments made to the Board. PSA funding accounts for USD 496.1million, representing 77 percent of the funding utilized for baseline activities (for further information, please refer to section V).

### PSA equalization account

193. In 2015, the Board endorsed the use of the PSA equalization account for critical corporate initiatives, which are non-recurring investments “to strengthen WFP’s programming, operational and administrative capacity”. A healthy balance in the account has been built up as a result of several years of increases in contribution revenue, coupled with the setting of prudent PSA budgets below the levels of ISC income generated from contributions. This balance will be utilized to fund the majority of the CCIs “investing in WFP people” and private sector strategy initiatives (totaling USD 42.4million),<sup>41</sup> the latter of which is part of a multi-year strategy with multiple funding tranches already approved by the Board. For more details on the PSA equalization account please refer to section VII.

### Existing trust funds and special accounts

194. Trust funds are contributions whose purpose, scope and reporting requirements are outside WFP’s regular operational programmes but consistent with the organization’s policies, aims and activities. They are established by the Executive Director under Financial Regulation 5.1. Special accounts are established with a view to enabling WFP to provide, on a no-profit basis, business services and support activities that do not fall within its CSPs.
195. The portion of existing trust funds and special accounts defined as baseline activities in 2022 amount to USD 95.4 million or 15 percent of the total baseline budget. For a full overview of the 2022 workplans for trust funds and special accounts, refer to annex V.
196. By serving as funding sources that support baseline activities, trust funds enhance WFP’s organizational capacity, effectiveness and ability to work in specific thematic areas. They are established by the Executive Director to account for special contributions, the purpose, scope and reporting procedures of which have been agreed with the donor. The portion of the trust funds considered baseline are currently in the amount of USD 51.3 million, or 8 percent of total baseline activity funding. Special accounts are also established by the Executive Director to manage special contributions or monies earmarked for specific activities, the balance of which may be brought forward to the following financial period. They also include the payment of user fees and charges levied for services provided by WFP. The management cost recovery mechanism charges fees to external entities to cover the non-direct costs of WFP’s service provision, including oversight, risk management and tool development. Existing special accounts account for USD 44.1 million, or 6.8 percent of total baseline activity funding. An example of a special account is the account for the United Nations Humanitarian Response Depot (UNHRD) network, which offers both standard services free of charge and specific additional services that are offered on a cost-recovery basis. The UNHRD network comprises depots located in Ghana, Italy, Malaysia, Panama, Spain and the United Arab Emirates that procure, manage and transport emergency supplies for the humanitarian community. Another example is the WFP aviation special account, which supports the humanitarian community’s response to multiple complex emergencies with airlifts, air freight services and airdrops.

### New trust funds and special accounts

197. The scope of activities has been analysed further to identify baseline activities that are suitable for funding through directed donor contributions. In total, USD 16.2 million,<sup>42</sup> mainly for the Programme and Policy Development Department, has been identified and validated for baseline activities in specific thematic areas, representing 2.5 percent of the total funding for

<sup>41</sup> Including USD 1.7 million supporting other services activities.

<sup>42</sup> Beneficiary management (USD 0.5 million), Cash-based Transfers Division (USD 1.1 million), Emergency Operations Division (USD 2.2 million), Gender Office (USD 0.4 million), Innovation and Knowledge Management Division (USD 0.4 million), People and Culture Coordination Unit (USD 0.3 million), Programme – Humanitarian and Development Division (USD 10.4 million), Research, Assessment and Monitoring Division (USD 0.3 million) and Technology Division (USD 0.5 million).

baseline activities. New trust funds or special accounts will be established as appropriate to provide funding for enhancing WFP's organizational capacity, effectiveness, and ability to work in these thematic areas.

198. In 2022 WFP will continue to strengthen its advocacy and funding outreach on the following themes, as discussed with the Board during informal consultations:
- emergency preparedness and anticipatory action;
  - climate change, environmental and social sustainability frameworks;
  - innovation and change in the humanitarian and development sectors;
  - the mainstreaming of gender equality, protection and disability inclusion in CSPs;
  - social protection systems and delivery;
  - roll out of the school feeding strategy;
  - the mainstreaming of capacity strengthening in CSPs; and
  - South-South cooperation and supply chain strengthening.

### **Lessons learned and future budget planning approach**

199. The main benefit of the BUSBE will be the use of a budget process that enables funding to support WFP and its priorities more holistically and consistently across WFP's organizational structure. This will increase the transparency of the implementation of the approved 2022 budget and allow WFP to continue strengthening its budgeting capabilities.
200. The prioritization framework implemented for the 2022 budget allocation process has been a key instrument in guiding the prioritization of activities and enhancing WFP's ability to support the achievement of its strategic goals. When setting the direction of the 2023 budget planning exercise, the preparation of a more detailed prioritization strategy should be considered, including the articulation of corporate priorities and high-level results statements.<sup>43</sup>
201. While the 2022 budget planning exercise lays a foundation for strategic budgeting at WFP, further efforts will be required in the coming years. The introduction of KPIs for activities as part of the 2022 budget will enable improved measurement of performance and analysis of impacts on future budgets.
202. The use of extrabudgetary resources that complement PSA funds is presented more transparently. Overall, the alignment between activities that are necessary for delivery on WFP's mandate and the PSA funding sources for those activities has been improved. Further enhancement requires the grouping and harmonization of activities to reduce their overall number and facilitate the budget exercise, the selection of adequate funding sources and the measurement of performance.
203. Greater standardization of activities would also facilitate the reduction of the horizontal overlaps among headquarters divisions and vertical overlaps between regional bureaux and headquarters divisions that were identified during the functional review, leading to potential cost efficiencies.

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<sup>43</sup> See WFP/EB.A/2021/6-F/1/Add.1 – WFP management response to the recommendations in the report of the External Auditor on critical corporate initiatives, recommendation number one.

## Section V: Programme support and administrative budget

### Overview

204. This section sets out the proposed programme support and administrative budget for 2022 and the rate charged for indirect support costs (ISC). The PSA budget provides essential programme and administrative support for WFP's operations, in compliance with the organization's governance and fiduciary responsibilities.
205. WFP's management plan for 2020–2022 noted that the bottom-up strategic budgeting exercise (BUSBE) would include a detailed review of the PSA budget requiring all organizational units in headquarters and regional bureaux to describe and justify their expenses, irrespective of funding sources. As described in section IV, this exercise generated an overall baseline budget along with details of the budget's funding sources, including PSA funding. The proposed PSA budget for 2022 is elaborated in this section of the management plan.
206. The funding for the PSA budget is derived from amounts that are recovered from contributions to cover ISC. The ISC rate is approved by the Board each year. The Secretariat proposes that the rate be maintained at 6.5 percent in 2022.
207. WFP proposes a PSA budget of USD 496.1 million. This figure takes into consideration the operational needs and the provisional implementation plan described in section III. Table V.1 provides an overview of the proposed 2022 PSA budget by appropriation line and pillar.

<b>Appropriation line and pillar</b>	<b>Total 2022</b>
<b>Strategy and direction</b>	<b>111.3</b>
A. Strategy and direction	111.3
<b>Services</b>	<b>241.1</b>
B. Business services	164.1
C. Policy, guidance and quality assurance	77.1
<b>Governance, independent oversight and fundraising</b>	<b>143.7</b>
D. Advocacy, partnerships, fundraising and United Nations coordination	102.1
E. Governance and independent oversight	41.5
<b>Total</b>	<b>496.1</b>

### Changes in the programme support and administrative budget between 2021 and 2022

208. Table V.2 shows the proposed 2022 PSA budget by department compared with the 2021 PSA budget. As defined in section IV, activities may be recurring or one time (within a single year or multiple years). Significant one-time costs are generally funded from reserves, including through critical corporate initiatives.<sup>44</sup>

<sup>44</sup> Only insignificant one-time costs (i.e. less than USD 1 million per activity) totalling USD 6.7 million are funded from the PSA.

<b>TABLE V.2: PSA ALLOCATIONS BY DEPARTMENT (USD million)</b>				
	<b>Total 2022</b>	<b>Total 2021</b>	<b>Change</b>	<b>% Change</b>
<b>Country offices</b>	<b>43.0</b>	<b>103.4</b>	<b>-60.5</b>	<b>-58</b>
<b>Regional bureaux</b>	<b>105.3</b>	<b>81.8</b>	<b>23.5</b>	<b>29</b>
<b>Headquarters</b>	<b>319.1</b>	<b>241.7</b>	<b>77.4</b>	<b>32</b>
Chief of Staff	9.1	7.7	1.4	18
Divisions reporting to the Executive Director	45.0	37.5	7.6	20
Deputy Executive Director Department	54.6	44.5	10.1	23
Partnerships and Advocacy Department	58.7	44.0	14.6	33
Programme and Policy Development Department	44.9	30.6	14.4	47
Resource Management Department	76.9	57.2	19.7	34
Workplace Culture Department	29.9	20.2	9.6	48
<b>Central appropriations</b>	<b>28.7</b>	<b>16.5</b>	<b>12.2</b>	<b>74</b>
<b>Total</b>	<b>496.1</b>	<b>443.5</b>	<b>52.6</b>	<b>12</b>

209. The proposed PSA budget for 2022 represents a 12 percent increase – USD 52.6 million – over the 2021 budget. The increase reflects continuing growth in WFP’s operational activity and mandated services, the increasing complexity of WFP’s work and the greater breadth and depth of its partnerships in response to the rise in global hunger, and the organization’s continued commitment to implementing high-quality, innovative programmes and being accountable to the Board and the people it serves.
210. The increase also reflects the optimization of funding sources to cover programme support and business operations costs. As described in section IV, the BUSBE increased the transparency of the budget allocation process by examining all activities undertaken by WFP, irrespective of whether their funding source is the PSA budget or other sources such as special accounts, trust funds or sources allocated through the Strategic Resource Allocation Committee’s investment case process. In previous years, other funding sources were used to cover some headquarters and regional bureau costs that are now more appropriately funded from the PSA budget. In 2021, headquarters departments and regional bureaux received approximately USD 75 million through investment cases, including for the funding of core activities. In many cases the increased PSA budget in 2022 has replaced some of the funding received from allocations for investment cases in 2021.

### **Standard position costs**

211. WFP uses standard position costs to budget and account for international professional staff and general service staff in headquarters. These rates are recalculated each year to reflect the actual costs of employing a staff member at each grade and location, including the costs of staff entitlements, benefits and allowances, and the anticipated exchange rates for euro-based expenditures.

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212. The standard position costs for 2022 are based on the actual costs in 2020, adjusted for inflation, and actuarial estimates of after-service costs. It also includes accruals on security costs, staff wellness costs and termination indemnities. For the euro component of the costs incurred at headquarters and global offices WFP makes a forward purchase of the euro amounts required as a way of providing certainty regarding the United States dollar value of euro-denominated expenditures.
213. A comparison between the total costs for staff in the 2022 PSA budget based on 2021 standard position costs and the same total costs based on the 2022 standard position costs shows an increase of USD 1.1 million. The increase is spread throughout the departmental budgets summarized in this document.

### **Organizational structure of the Secretariat**

214. As shown in figure V.1<sup>45</sup> WFP's organizational structure, headed by the Executive Director, is divided into six interrelated areas: workplace culture, resource management, programme and policy development, operations management, operations assistance, and partnerships and advocacy. Work in these areas will enhance strategic collaboration in headquarters and support for the field through the delivery of refined global policies and strengthened quality control and oversight activities. Key changes introduced in the present management plan are the establishment of new offices for business continuity management and beneficiary data management and the creation of a global privacy office.
215. The Rome-based Agencies and Committee on World Food Security Division was dismantled on 1 July 2021; its three principal functions were reassigned to other divisions. The core Rome-based agencies partnership function remains with the Partnerships and Advocacy Department now under the Strategic Partnerships Division. The remaining functions have been placed under the Programme and Policy Development Department to enable efficiency through enhanced programmatic alignment and organization of related units: the Committee on World Food Security unit is under the department's front office and the food systems summit team became part of the department's Programme – Humanitarian and Development Division.

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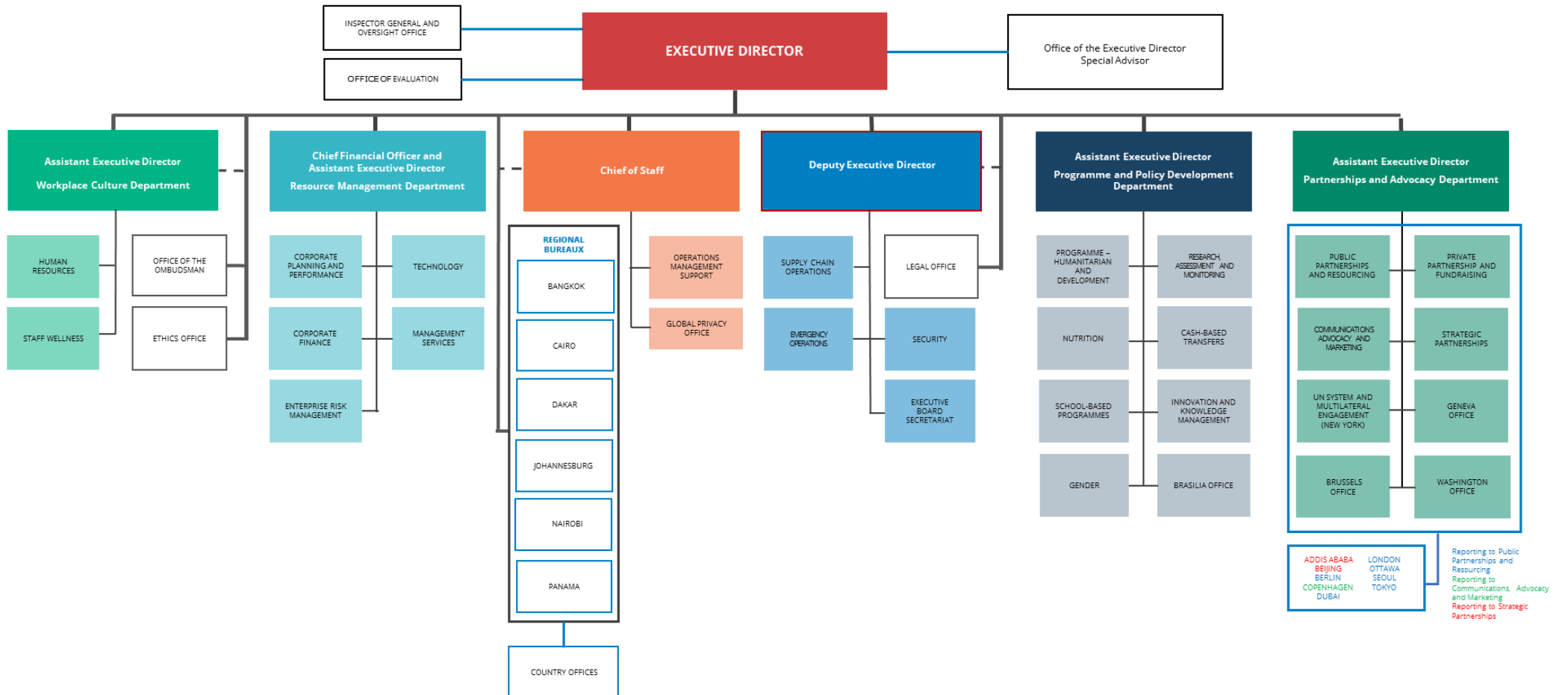
<sup>45</sup> Figure V.1 shows the organizational structure as of September 2021. Some of the changes to be introduced in 2022 are therefore not included.

Figure V.1: Organizational structure of the Secretariat in September 2021



# WFP ORGANIGRAM

## EXECUTIVE BOARD





**Increases by organizational unit**

216. The proposed changes in the budget are first described in terms of the organizational structure, consistent with the approach used for the 2022 budget submission under the BUSBE. As shown in table V.2, the three organizational units with the largest absolute increase in the 2022 PSA budget are the Regional bureaux, the Resource Management Department and the Partnerships and Advocacy Department, which together account for an increase of USD 57.8 million. In percentage terms, the three organizational units with the highest increases are the Workplace Culture Department (48 percent), the Programme and Policy Development Department (47 percent) and the Resource Management Department (34 percent). Central appropriations have increased by USD 12.2 million (74 percent). In contrast, the PSA budget for country offices has declined by USD 60.5 million (58 percent) due to the removal of costs that were not considered to be baseline and the subsequent redefinition of the country offices' PSA budget, as discussed in the following subsection. The main changes in the 2022 PSA budget are described below; please refer to annexes I, II and III for details of the differences between the 2021 and 2022 PSA budgets.

**Redefinition of the country office programme support and administrative budget**

217. Application of the baseline definition, which excludes costs that can be directly traced to a CSP, has had a significant impact on the country office costs that can be considered for inclusion in the PSA budget. In previous years the country office PSA budget had two components: direct support (55 percent of the 2021 PSA budget for country offices), which funded country director positions and staff and non-staff costs for a basic office structure; and centralized services (44 percent of the 2021 PSA budget for country offices).
218. As a result of the BUSBE budget review, country office costs that are deemed to be indirectly related to CSPs have been budgeted at USD 43.0 million and will be fully funded from the PSA budget. For each country office these costs comprise the cost of a country director and two national staff positions and the non-staff costs of office facilities, communications, transportation and other essential items to support WFP representation, strategy and engagement with in-country United Nations, government and other partners. These are deemed the minimum costs for WFP country presence in the event that no CSP is operational.
219. In 2022, centralized services for country offices are no longer included in the country offices' PSA budgets. One component of centralized services, mandatory United Nations Department of Safety and Security (UNDSS) activities costing USD 13 million, is included in central appropriations. The remainder of the costs for information technology per capita, employee wellness and the contingency evaluation fund have been redirected to country portfolio budgets and headquarters divisions with a view to improving traceability and transparency.
220. Country offices with field operations require predictable funding in addition to their PSA allocations. Accordingly, USD 48 million of multilateral contributions will be allocated to the country offices at the beginning of 2022. By committing to this allocation, WFP provides its country offices with the assurance of a minimum level of funding to be used at their discretion to meet the most compelling needs under their CSPs.

**Increased capacity for regional bureaux**

221. The PSA budget for the six regional bureaux in 2022 is USD 105.3 million, which represents an increase of USD 23.5 million compared with 2021. In 2021, the regional bureaux benefited from USD 11 million of investment case funding.

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222. The budgets of the regional bureaux range from USD 14.8 million allocated to the Regional Bureau for Southern Africa to USD 22.0 million allocated to the Regional Bureau for Western Africa. The budgets are not necessarily indicative of the level of operational activity in the regions because large country offices tend to have greater expertise and capacity in-country and require less support from the regional bureau in proportion to their size.
223. One of the most significant causes of the increase in the PSA budgets of regional bureaux relates to a change in the funding of outposted positions. In 2022, 35 positions costing USD 6.4 million that were previously located in regional bureaux but funded through headquarters divisions will be included in the budgets of regional bureaux. This budgeting practice is consistent with the functions and duties of outposted positions in more mature functional areas such as finance and programme. Of the 35 positions, 14 are from the Technology Division and 12 from the Staff Wellness Division, and the remainder are distributed among the Communications, Advocacy and Marketing; Management Services and Supply Chain Operations divisions.
224. In addition to recognizing outposted staff in their budgets, all regional bureaux have increased employee numbers in order to provide better service to their country offices. The growth of the budgets of the regional bureaux reflects the need to support additional positions, upgrade the skills of the existing workforce to enhance regional capacity for emergency response and social protection activities and provide better contract terms for staff, in accordance with the WFP people policy.
225. The following are notable increases in the PSA budgets of regional bureaux:
- Conflict and repetitive socioeconomic crises have significantly changed the composition and scale of WFP's programmatic requirements in the Regional Bureau for Western Africa. The proposed increase of USD 5.6 million in this region's PSA budget will improve the bureau's ability to deliver critical activities for advancing progress at the humanitarian-development-peace nexus, continuing to roll out the community-level integrated resilience package and pursuing enhanced strategic partnerships on social protection in the Sahel.
  - An additional USD 5.1 million will be allocated to the PSA budget of the Regional Bureau for Eastern Africa in recognition of the growth in emergency operations, such as the response to the crisis in Tigray, and the need for investments in activities that enhance conflict sensitivity and innovative solutions that improve efficiency and reduce bottlenecks in delivering assistance.
  - An additional USD 6.0 million for the Regional Bureau for Latin America and the Caribbean will support the formulation of second-generation CSPs and the implementation of essential activities and investments in innovative approaches such as social and behaviour change communication. The regional bureau has recently expanded, including through the establishment of two new country offices, for the Caribbean and the Bolivarian Republic of Venezuela.
  - The PSA budget for the Regional Bureau for the Middle East and Northern Africa will increase by USD 1.6 million in 2022. This level of PSA support provides the funding needed to implement the WFP people policy and provide secure and healthy work environments in order to ensure that capacity is available for deployment to hotspots in the region and for the implementation of creative approaches to supporting country offices.
  - An increase of USD 2.3 million in the PSA budget is proposed for the Regional Bureau for Asia and the Pacific in 2022. This will enable the bureau to expand assistance for country offices in areas such as CBTs and social protection, policy guidance on resilience building, the regional school feeding implementation plan and technical support for supply chains during emergencies. These activities underpin

WFP's enabling role in a region where governments are leading emergency responses and expanding their social protection systems.

- Overall, the Regional Bureau for Southern Africa's PSA funding will maintain zero growth against the bureau's actual operational needs. The PSA budget includes USD 2.8 million to cover outposted positions that were previously funded by various headquarters divisions with a view to increasing the staff available to manage the increase in operations across the region and improving the contract conditions of the bureau's employees.

### **Office of the Chief of Staff**

226. The PSA budget for the Office of the Chief of Staff in 2022 is USD 9.1 million, which represents an increase of USD 1.4 million compared with 2021. In 2021, the office benefited from USD 2.6 million in investment case funding. The increase in PSA funding relates primarily to the global privacy office that was established in mid-2021 and will be fully operational throughout 2022. The office focuses on data protection functions, providing oversight on privacy and personal data protection to WFP's divisions, organizational units and offices when they process sensitive personal and non-personal data.

### **Divisions reporting to the Executive Director**

227. The PSA budget for the divisions reporting to the Executive Director in 2022 is USD 45.0 million, which represents an increase of USD 7.6 million compared with 2021. In 2021 the department benefited from USD 1.2 million in investment case funding.

### **Increased coverage and improved response time for addressing complaints, allegations and high-risk areas**

228. The Office of the Inspector General (OIG) is responsible for safeguarding WFP's assets and ensuring the effective and efficient use of its resources. The OIG's Office of Inspections and Investigations responds to fraud and misconduct complaints by carrying out inspections and investigations.

229. OIG thoroughly analysed historic trends and inter-agency benchmarks to inform its budget request for 2022. The resulting increase of USD 3.3 million will ensure reasonable oversight coverage relative to the size of the organization and its risk environment, as measured by the number of assignments per year and the frequency of coverage of high and medium risks handled by the Office of Internal Audit. It will also enable the Office of Inspections and Investigations to investigate within a reasonable timeframe the increasing number of complaints and allegations that are being made.

### **Growth in evaluations**

230. The Office of Evaluation's work plan for 2022 reflects the office's ambition to meet the commitments set out in the current evaluation policy, respond to the demand for a diverse set of evaluations that meet accountability and learning needs throughout WFP and anticipate the strategic direction of the updated evaluation policy that will be submitted for approval at the Board's first regular session in 2022. The increased PSA budget of USD 2.4 million in 2022 for the headquarters-based office and the regional evaluation units demonstrates WFP's commitment to further investment in and consolidation of the evaluation function, as well as its aspiration to align the amount that it invests in evaluations with that of comparable agencies. The budget for 2022 includes a modest increase in staffing at the headquarters and regional levels to cover the expected continued increase in centralized, decentralized and impact evaluations.

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### **More diverse and complex contractual agreements**

231. The Legal Office will receive an increase of USD 1.5 million in PSA funding in 2022. The division benefited from USD 0.3 million in investment case funding in 2021. The increase in PSA funding will cover the cost of new positions that address the increased demand in areas such as CBTs, engagement with the private sector, conflict of interest issues, data protection and service provision and will fund the conversion of positions covered by the Legal Office's PSA budget into fixed-term contracts.

### **Office of the Deputy Executive Director**

232. The total PSA budget for the Office of the Deputy Executive Director in 2022 is USD 54.6 million, which represents an increase of USD 10.1 million compared with 2021. In 2021, the department benefited from USD 8.4 million in investment case funding.

233. The largest divisional budgets in this department are for the Supply Chain (44 percent), Emergency Operations (22 percent) and Security (16 percent) divisions. The largest increases were in the Security Division followed by the Supply Chain Operations Division and the Executive Board Secretariat. The major changes in the department's 2022 PSA budget are summarized in the following paragraphs.

### **Modernization of security and inclusion of United Nations Department of Safety and Security costs**

234. In 2022, the PSA budget of the Security Division will increase by USD 4.6 million. In 2021, the division received USD 1.3 million in investment case funding. The PSA budget will enable the division to continue with its modernization efforts by increasing its use of data and technology and shifting from the use of outsourced security services to the direct hiring of security staff at headquarters. To enhance its capacity to support country offices, the Security Division will recruit a security professional ready for deployment at short notice when and where required.

### **Increased supply chain capacity**

235. The Supply Chain Operations Division will receive an increase of USD 4.2 million in PSA funding in 2022. The division benefited from USD 1 million in investment case funding in 2021. The increase reflects primarily a more comprehensive assessment of the PSA portion of the baseline budget for the division. Requirements for the supply chain planning service are increasing due to the expansion of the service's work with country offices, including its contribution to end-to-end visibility and optimization of supply chains. Transactional activities for shipping and procurement costing a total of USD 5.4 million have been deemed eligible for direct cost recovery from CSPs in 2022.

### **Increased workload in the Executive Board Secretariat**

236. In 2022 the PSA budget for the Executive Board Secretariat will increase by USD 1.2 million. The increase responds to the projected increased demand for support services for the Executive Board, particularly in relation to the process for developing second-generation CSPs, which will entail more meetings and more documentation. The Executive Board Secretariat will deploy additional staff and resources and will implement upgraded systems to cope with this increased demand.

## **Establishment of a business continuity management function**

237. Business continuity management is a core element of the United Nations organizational resilience management system, which is mandatory for all United Nations entities. In 2021, business continuity planning became mandatory throughout WFP with the aim of ensuring that the organization's critical processes continue in the event of an emergency. A recent audit<sup>46</sup> resulted in a recommendation that regular funding be provided to ensure adequate human and financial resources for effective and efficient business continuity management.
238. In 2022, the newly formed business unit will be allocated USD 0.7 million for providing support and guidance to country offices, regional bureaux and headquarters in preparing, reviewing, maintaining and testing the effectiveness of their business continuity plans and identifying areas for improvement. Formalization of the new function will enable WFP to develop a coordinated approach to business continuity and to implement relevant processes.

## **Partnerships and Advocacy Department**

239. The PSA budget for the Partnerships and Advocacy Department in 2022 will be USD 58.7 million, which represents an increase of USD 14.6 million compared with 2021. In 2021, the department benefited from USD 12.3 million in investment case funding.
240. The largest shares of the department's budget are for the Communications, Advocacy and Marketing (18 percent), Public Partnerships and Resourcing (17 percent) and Private Partnerships and Fundraising (14 percent) divisions, while global offices located outside Rome account for 47 percent. In terms of absolute growth in the budget, the largest increase is in the Strategic Partnerships Division, followed by the Washington Office and the Public Partnerships and Resourcing Division.

## **Recognizing strategic partnerships as a core function**

241. The USD 5.9 million increase in the budget of the Strategic Partnerships Division reflects the mainstreaming of strategic partnerships into the PSA. The division benefited from USD 4.7 million in investment case funding in 2021. It is recognized as a core functional unit as it is expected to raise more than USD 500 million in contributions in 2021 and to contribute to the establishment of sustainable long-term funding. The Strategic Partnerships Division has continued to reinforce the analysis and guidance provided to organizational counterparts, has launched tailored support for country offices and regional bureaux and is in the process of reinforcing capacity for the registration of agreements that ensure end-to-end support.
242. In addition to efforts focused on fundraising, the division will take on senior-level strategic functions, including a senior advisory role and the secondment of a staff member to the African Union Development Agency. The senior advisor will identify opportunities for regional organizations, international financial institutions, the United Nations and national governments to work together to take advantage of development opportunities.

## **Investing in global offices**

243. The PSA budget for global offices will increase by USD 5.5 million in 2022. The offices received USD 1.9 million in investment case funding in 2021. Increasing the capacity of WFP's global offices is consistent with the volume of donor contributions and the need for enhanced responsiveness to meet donors' requests for information and engagement, particularly in

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<sup>46</sup> [https://api.godocs.wfp.org/api/documents/WFP-0000126520/download/?\\_ga=2.143244469.1815007419.1621420050-1957743644.1611674852](https://api.godocs.wfp.org/api/documents/WFP-0000126520/download/?_ga=2.143244469.1815007419.1621420050-1957743644.1611674852).

Washington, DC and Berlin, in line with the recent growth in contributions from the United States of America and Germany.

### **Increased capacity for public partnerships and resourcing**

244. The 2022 PSA budget for the Public Partnerships and Resourcing Division will increase by USD 2.2 million. The division benefited from USD 0.5 million in investment case funding in 2021. There are two main drivers of growth in the division's budget for 2022: the need to diversify donor funding streams and increase thematic funding from bilateral donors, especially for the changing lives agenda; and the need for strengthened management of grants, as recommended in a recent internal audit report on WFP's management of contributions. The latter task requires the division to develop and maintain a new system, issue new or updated guidelines and training material and coordinate with other divisions.

### **Programme and Policy Development Department**

245. The PSA budget for the Programme and Policy Development Department in 2022 is USD 44.9 million, an increase of USD 14.4 million compared with 2021. In 2021, the department benefited from USD 18.3 million in investment case funding.

246. The largest divisional budgets in this department are for the Programme – Humanitarian and Development (36 percent), Research, Assessment and Monitoring (16 percent), Nutrition (12 percent) and School-based Programmes (9 percent) divisions. In terms of growth in the budget, the largest increase in dollars is in the Programme – Humanitarian and Development Division (USD 4.7 million), whose budget increased by 42 percent. The next largest increase was for the Research, Assessment and Monitoring Division (USD 4.2 million), which had a 141 percent increase due to its relatively low PSA budget in 2021. Both divisions received funding from investment cases that exceeded their PSA growth.

### **Mainstreaming of programme and policy development activities**

247. The 2022 PSA budget for the Programme – Humanitarian and Development Division will increase by USD 4.7 million. In 2021, the division received USD 7.2 million in investment case funding. The division provides critical strategic and technical guidance on humanitarian and development issues for headquarters, regional bureaux and country offices and supports the design and implementation of CSPs.

248. Each year, as the CSP and policy cycles evolve, some activities are downsized and others are expanded as required by CSPs and stakeholders, including the Board. Among the ongoing activities that will expand due to increased demand are global implementation of WFP's environmental and social sustainability framework, strengthening of the evidence for WFP's contribution to peace, operationalization of the humanitarian–development–peace nexus, and fulfilment of WFP's commitments to disability inclusion through coordination and consolidation of learning and knowledge on disabilities and creation and strengthening of systems for the engagement of people with disabilities. Key programmatic areas identified as priorities based on operational evidence and oversight reports and bodies have also been incorporated into the budget.

### **Research, Assessment and Monitoring Division**

249. Through its critical work on global needs analysis, field monitoring of programme performance and beneficiary outcomes, inter-agency assessments and government food security monitoring systems, the Research, Assessment and Monitoring Division provides credible, relevant and timely evidence to inform WFP's operations. The division's 2022 PSA budget will increase by USD 4.2 million. In 2021, the division benefited from USD 4.7 million in investment case funding.

250. The division will continue to harness mobile technology, artificial intelligence and analytics and remote sensing and satellite data to provide near real-time food security and market monitoring in more than 90 countries. The increase in PSA funding will ensure that the division has adequate internal resources and staff capacity to continue delivering and strengthening these core activities in order to inform decision making, maintain WFP's focus on results and generate data for outcome and impact analysis and evaluations.

#### **Establishment of a beneficiary data management function**

251. The Assistant Executive Director for Programme and Policy Development has been tasked by the Executive Director with establishing an overarching corporate approach to beneficiary management, creating and chairing a cross-functional steering committee and developing sustainable financing mechanisms for related activities. A project team was set up in 2021 to lead, coordinate and implement these activities. The work will take several years and requires a new function to coordinate work on beneficiary management issues within the Programme and Policy Development Department and enable the department to take full ownership of the related business processes and their corporate applications. The department's PSA budget will increase by USD 1 million to support the new function.

### **Resource Management Department**

252. The 2022 PSA budget for the Resource Management Department is USD 76.9 million, which is an increase of USD 19.7 million compared with 2021. In 2021, the department received USD 12.7 million in investment case funding.
253. The Technology and Management Services divisions, the two largest divisions in the department, account for more than 50 percent of the department's PSA budget. The Corporate Finance and Corporate Planning and Performance divisions are similar in size and together account for 34 percent of the budget. The largest PSA increases in dollar terms are in the Technology and Management Services divisions, accounting for nearly 60 percent of the departmental increase.
254. Aligned with the principles underlying the BUSBE, enterprise risk management, performance management and management services activities have also been mainstreamed into the budget for 2022, having previously relied on donor contributions secured annually.

#### **Technology Division**

255. In 2022, the PSA budget for the Technology Division, which ensures that more than 20,000 WFP employees around the world have the tools, services and support that they require to assist more than 115 million beneficiaries, will increase by USD 7.2 million. The division benefited from USD 2.5 million in investment case funding in 2021. As WFP grows in size, the need to keep pace with technological developments by providing expanded services and support and related tools and resources has resulted in increased costs. In 2022, the Technology Division is committed to maintaining high-quality, cost-effective delivery of foundational services and connectivity and prioritizing WFP's leadership in emergency preparedness and response through the emergency telecommunications cluster.
256. In addition, the initiatives foreseen in 2022 will continue the progression in WFP adapting to and thriving in the digital era. This work will enable WFP to extend the digital foundations of its data operations platform, which has been shown to confer a competitive advantage in the humanitarian sector; improve WFP's cyber maturity and ensure more effective detection and prevention of, and protection from, cyber incidents; strengthen WFP's beneficiary-facing digital solutions; and expand the digital foundations and support provided in the field through the digital hub in Nairobi.

### **Increased capacity for management services**

257. The 2022 PSA budget for the Management Services Division will increase by USD 4.4 million to expand the division's capacity to provide services in occupational health and safety, environmental protection and asset management in response to the change in working practices necessitated by the COVID-19 pandemic. The division received USD 2.5 million in investment case funding in 2021.
258. The increase reflects WFP's ongoing commitment, endorsed by the Board, to environmental and workplace health and safety standards. Priorities include re-imagining office space by adopting innovative technology, greener practices and new ways of working and enhancing the support provided to country offices for field premises improvements by identifying a model for high-, medium- and low-priority scenarios. In the long term and in accordance with the results of the division's strategic review and the corporate strategy on the global shared service centre, the division will explore the potential for transforming and centralizing certain core services to increase efficiency, such as by moving the services to alternative locations.
259. As indicated in section IV, the increase in the division's 2022 budget also reflects the need to mainstream significant activities previously funded on a year-by-year basis.

### **Delivering efficient corporate finance solutions**

260. In 2022, the PSA budget for the Corporate Finance Division will increase by USD 3.5 million. The division received USD 0.5 million in investment case funding in 2021. The increased PSA funding will enable the division to continue implementation of its strategic improvement initiatives by driving excellence in core enabling services, operational efficiency and reporting, with a particular focus on digital transformation and innovative finance solutions. The 2022 budget increase is driven by the incorporation of the funding for business process improvements into the baseline budget, which will allow the division to focus sustainably on key business processes that will benefit from automation, digitalization and innovation; and the launch of the global payments solution project on optimizing and consolidating the accounts payable functions in order to achieve cost-efficiency gains at scale and to improve service quality and operation-focused process automation. The project will reduce the transactional tasks of finance staff in the field, enabling the division to focus increasingly on critical analytical and operational support functions.

### **Corporate planning and performance: strengthening the link between resources and results**

261. The 2022 PSA budget for the Corporate Planning and Performance Division will increase by USD 3 million. In 2021, the division benefited from USD 4.2 million in investment case funding. The restructuring of the division in 2021 – including the creation of a performance analysis cell – is expected to strengthen institutional coordination, streamline and simplify data-driven decision making and enhance the quality and timeliness of the division's services and products. The division will carry on the work of the BUSBE by ensuring the adoption of new budget governance structures and processes.
262. Integrated business processes will be redesigned to align them with the new strategic plan and corporate results framework, thus providing an end-to-end view of the planning, budgeting, performance management and reporting cycle and strengthening the links between resources and results. The large number of first-generation CSPs closing and second-generation CSPs being launched in 2022 will increase the division's workload in advisory services and analysis.

### **Enterprise risk management: strengthening the anti-fraud and anti-corruption policy**

263. Since its establishment in 2017, the Enterprise Risk Management Division has depended on direct contributions and investment cases to cover its activities. The increase of USD 1.0 million in its PSA funding for 2022 is needed for continued implementation of the



2021 revised anti-fraud and anti-corruption policy, delivering field support for high-risk country offices, revamping the corporate risk register in line with the new strategic plan, following up on the Executive Director's annual assurance processes and outputs and responding to increasing review obligations imposed by donors.

## Workplace Culture Department

264. The PSA budget for the Workplace Culture Department in 2022 is USD 29.9 million, an increase of USD 9.6 million compared with 2021. In 2021, the department benefited from USD 10.3 million in investment case funding.
265. The Human Resources Division, which accounts for 85 percent of total departmental PSA funding, has a PSA budget increase of 50 percent. By contrast, the Staff Wellness Division, which constitutes only 6 percent of the departmental budget, has a budget decrease of 22 percent as a result of the out-posting of staff costing a total of USD 2.5 million to the regional bureaux.

## Implementation of the people policy

266. The people policy<sup>47</sup> is implemented at all levels of WFP, overseen and coordinated by the Workplace Culture Department. A people and culture coordination unit will be established to oversee, coordinate, communicate on, engage in, monitor and report on the implementation of a range of initiatives including those arising from WFP's core values, the people policy, the wellness strategy, the human resources strategy and related activities.
267. Significant contributions will be made by the Human Resources and Wellness Divisions. In 2022, the PSA budget for the Human Resources Division will increase by USD 8.5 million for the delivery of strategies and instruments linked to the people policy. This level of funding also addresses structural issues with the PSA given that the division received USD 8.1 million in investment case funding in 2021.
268. To meet WFP's commitment to fighting racism, ensuring diversity and promoting inclusion, a small team with capacity and expertise in policy development in such areas as gender equality and disability inclusion will be established as part of the Human Resources Division.
269. The Human Resources Division also continues to pursue strategic workforce planning to address short- and long-term gaps in staffing capacity, as highlighted in the corporate risk register<sup>48</sup> and by the Audit Committee and the Board.

## Central appropriations

270. Central appropriations fund the costs of meeting statutory requirements and other centrally managed costs. Table V.3 shows the 2022 request for central appropriations. Overall, central appropriations are expected to be USD 12.2 million more than in 2021.
271. A proportion of the increase is attributable to charges imposed by UNDSS for field-related costs associated with providing for the safety and security of United Nations personnel. Those costs are apportioned among participating organizations, using a cost-sharing formula based on the number of staff members stationed in countries that are not members of the Organisation for Economic Co-operation and Development. In prior management plans, UNDSS costs were captured as part of a technical adjustment for centralized services for country offices. Pursuant to management decisions taken in connection with the BUSBE, the costs now form part of the request for central appropriations. WFP's 2022 share of the costs of UNDSS amounts to USD 13 million.

<sup>47</sup> WFP/EB.A/2021/5-A.

<sup>48</sup> WFP/EB.A/2019/5-C.

272. A much smaller share of the projected increase in central appropriations is attributable to insurance costs. WFP projects that its insurance premiums will increase due to the difficult global market conditions for commercial insurance in the high-risk areas where WFP operates.
273. There was a decrease in WFP's 2022 share of the costs of the United Nations Sustainable Development Group resident coordinator system. In addition, the 2021 global management meeting was postponed to early 2022 in view of COVID-19-related travel restrictions. The expenditure planned for 2021 will be committed in 2021 to cover the postponed meeting.

<b>TABLE V.3: CENTRAL APPROPRIATIONS FOR STATUTORY REQUIREMENTS AND OTHER CENTRALLY MANAGED COSTS (USD)</b>		
	<b>2022</b>	<b>2021</b>
<b>Pillar A: Strategy and direction</b>	<b>874 062</b>	<b>1 433 442</b>
Chief Executives Board	403 962	368 442
Global management meeting	-	600 000
Recruitment costs	400 000	400 000
Senior management and alumni network	70 100	65 000
<b>Pillar B: Business services</b>	<b>20 909 456</b>	<b>7 522 559</b>
Emergency medical evacuation	170 000	170 000
International Civil Service Commission	770 841	770 841
Insurance and legal fees	2 126 465	1 659 400
Programme criticality and Standing Committee on Nutrition	497 532	570 000
Services from other agencies	527 500	580 000
Reassignment costs	3 464 318	3 464 318
Staff awards, settlement and survey	352 800	308 000
WFP UNDSS cost share	13 000 000	-
<b>Pillar D: Advocacy, partnerships, fundraising and United Nations coordination</b>	<b>4 770 640</b>	<b>5 370 644</b>
Corporate inter-agency positions and union	1 179 780	1 190 644
Resident coordinator system cost-sharing and assessment centre	2 550 000	3 150 000
Legal fees of United Nations agencies	215 000	215 000
Others	806 780	815 000
<b>Pillar E: Governance and independent oversight</b>	<b>2 206 759</b>	<b>2 172 767</b>
Audit Committee	196 790	196 648
External Audit	400 000	400 000
International Aid Transparency Initiative membership fee	200 000	200 000
Advisory services	210 000	176 000
Joint Inspection Unit	1 200 119	1 200 119
<b>Total</b>	<b>28 741 987</b>	<b>16 499 412</b>

## Post counts

274. In previous years, the post count included only those staff members with contracts of one year or more. Under the budgeting methodology introduced by the BUSBE, all employees are considered in the post count for 2022. The definition of a post is based on the full-time equivalent value of one staff member working for a full year; thus two consultants who are budgeted to work for six months each are together considered to constitute one full-time equivalent and are counted as one post.
275. For comparison with past years, table V.4 shows the post count in the PSA budget by organizational level, displaying the number of posts in the staff categories used in 2021 and 2022 for both staff and non-staff categories of employee.

	2022 projections								2021 estimated			
	Post count								Post count			
	Professional and higher	Professional and higher (short-term)	Consultants	General service	General service (short-term)	National	Temporary assistance	Total positions	Professional and higher	General Service	National	Total positions
Country offices	81		1			175		<b>257</b>	77	0	345	<b>422</b>
Regional bureaux	258	11	119			366	39	<b>792</b>	219	0	312	<b>531</b>
Headquarters	777	100	569	446	33	105	79	<b>2 110</b>	652	388	59	<b>1 098</b>
Central appropriations	5			1				<b>6</b>	3	2	0	<b>5</b>
<b>Total</b>	<b>1 121</b>	<b>110</b>	<b>689</b>	<b>447</b>	<b>33</b>	<b>646</b>	<b>118</b>	<b>3 165</b>	<b>951</b>	<b>389</b>	<b>716</b>	<b>2 056</b>

276. For 2022, the additional categories of short-term professional, consultant, short-term general service and temporary assistance account for 950, or 86 percent of the increase in the total post count. The inclusion of short-term professionals and consultants is also the main driver behind the increase in the post count at headquarters. The decreases in the post count at the country office level and for national staff are due to the redefinition and reduction of PSA funding for country offices.

## Budget by organizational level and object of expenditure

TABLE V.5: PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET BY ORGANIZATIONAL LEVEL AND OBJECT OF EXPENDITURE							
	2022 projection				2021 estimated		
	Total costs				Total costs		
	<i>(USD million)</i>				<i>(USD million)</i>		
	Staff costs	Non-staff costs		Total	Staff costs	Non-staff costs	Total
Non-staff HR		Other					
Country offices	26.5	5.4	11.1	<b>43.0</b>	24.6	78.8	<b>103.4</b>
Regional bureaux	59.0	29.8	16.6	<b>105.3</b>	50.5	31.3	<b>81.8</b>
Headquarters	210.8	47.8	60.6	<b>319.1</b>	170.1	71.6	<b>241.7</b>
Central appropriations	1.1	0.0	27.6	<b>28.7</b>	0.9	15.6	<b>16.5</b>
<b>Total</b>	<b>297.3</b>	<b>83.0</b>	<b>115.9</b>	<b>496.1</b>	<b>246.1</b>	<b>197.3</b>	<b>443.5</b>

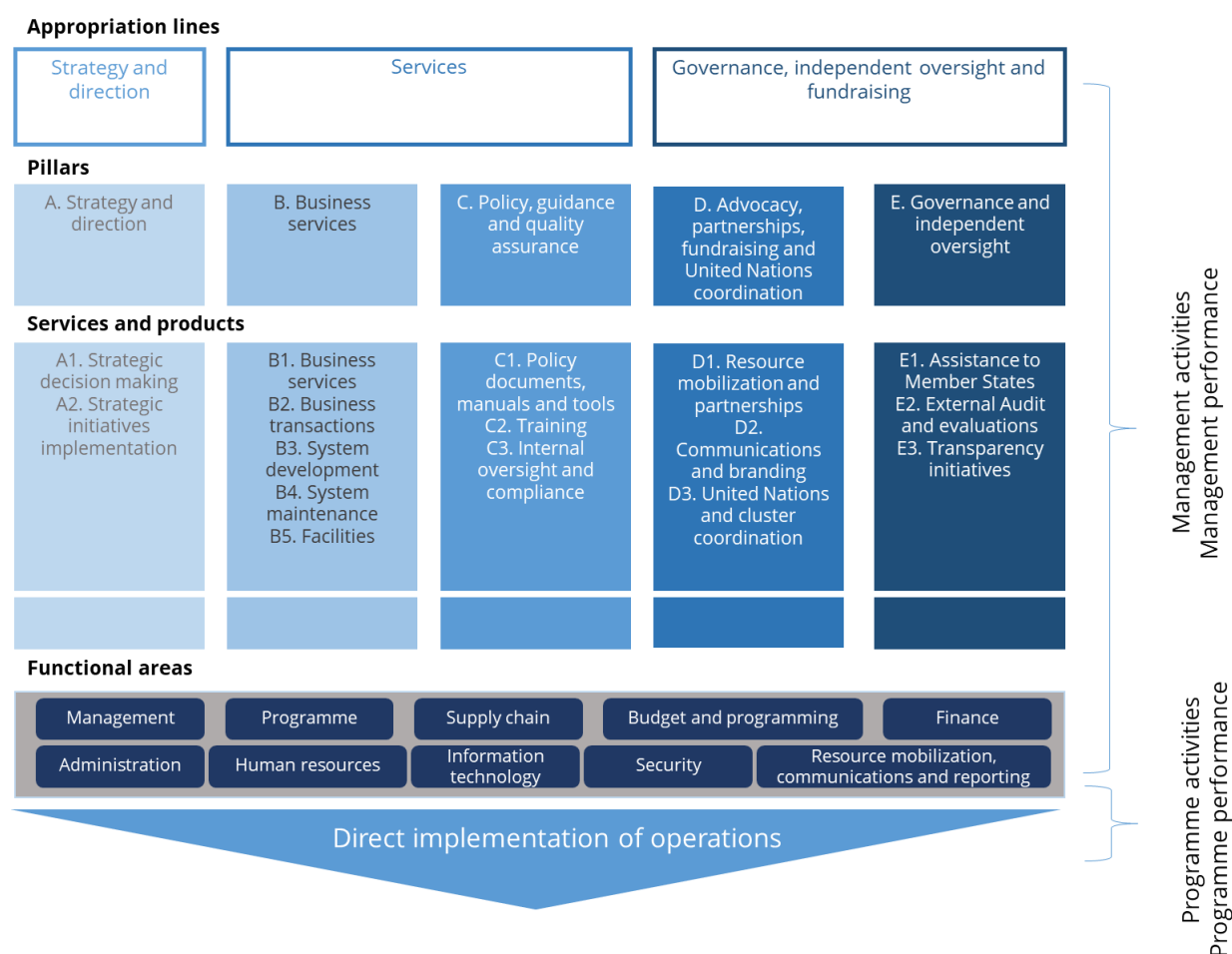
277. Staff costs include only the cost of professional staff and general service staff, as these categories of staff are budgeted using a standard position rate. The increased staff costs for 2022 are associated with higher post counts in those staff categories and the modest increase in the standard position costs.
278. In line with the WFP people policy, WFP is committed to ensuring that the type of contracts issued to employees is consistent with the type of work to be performed and the duration of expected employment. This commitment has resulted in increased costs associated with the shift of positions from temporary, consultancy and short-term professional contracts to fixed-term contracts.
279. Calculating the cost of the shift is challenging because a direct link between the posts counted in 2021 and those counted in 2022 was not made during the data collection process. The increase in costs includes a relatively low cost of shifting staff from short-term professional to fixed-term professional positions. On the other hand, there are considerable costs in shifting consultants to international professional positions due to the application of the standard staff cost rate for professional staff. Overall, these changes may have increased PSA by more than USD 5 million in 2022.
280. Non-staff costs increased slightly from USD 197.3 million in 2021 to USD 198.9 million in 2022.<sup>49</sup> The growth in headquarters and regional bureaux and the increase in central appropriations were significantly offset by the decrease in non-staff costs at the country office level because centralized services are no longer included in country office PSA budgets.

<sup>49</sup> Non-staff costs in 2022 include USD 83 million of employee costs for short-term general service staff, consultants and national staff.

## Programme support and administrative budget by appropriation line and pillar

281. Appropriation lines are the largest subdivision of the PSA budget in which the Executive Director is authorized to make transfers without the prior approval of the Board.<sup>50</sup> The management line of sight shown in figure V.2, which has been employed since adoption of the management plan for 2018–2020, illustrates how programme and administrative support resources are provided through headquarters divisions, regional bureaux and core resources for country offices to ensure the implementation of CSPs and the achievement of results. The line of sight is structured around three appropriation lines, which are in turn divided into five pillars and 15 indirect support services and products.<sup>51</sup>

**Figure V.2: Management plan appropriation lines, pillars and outputs**



282. The five pillars define the nature of the support provided to country offices for successful implementation of their CSPs. The diverse types of support provided are complementary among the various organizational units, but some of them are focused on specific pillars owing to the nature of the work that they facilitate. Table V.6 shows how the work of various organizational units is aligned with the five pillars.

<sup>50</sup> See financial regulation 1.1 (defining “appropriation line”).

<sup>51</sup> The detailed structure used for measuring management performance is available at: <https://docs.wfp.org/api/documents/WFP-000023707/download/>.

<b>TABLE V.6: ANALYSIS OF PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET BY ORGANIZATIONAL UNIT AND PILLAR (USD million)</b>							
	<b>Strategy and direction</b>	<b>Services</b>		<b>Governance, independent oversight and fundraising</b>			
	<b>A. Strategy and direction</b>	<b>B. Business services</b>	<b>C. Policy, guidance and quality assurance</b>	<b>D. Advocacy, partnerships, fundraising and United Nations coordination</b>	<b>E. Governance and independent oversight</b>	<b>Total 2022</b>	<b>Total 2021</b>
<b>Country offices</b>	<b>21.5</b>	<b>0.0</b>	<b>0.0</b>	<b>21.5</b>	<b>0.0</b>	<b>43.0</b>	<b>103.4</b>
<b>Regional bureaux</b>	<b>21.5</b>	<b>39.3</b>	<b>31.2</b>	<b>10.8</b>	<b>2.4</b>	<b>105.3</b>	<b>81.8</b>
<b>Headquarters</b>	<b>67.4</b>	<b>103.8</b>	<b>45.9</b>	<b>65.1</b>	<b>36.9</b>	<b>319.1</b>	<b>241.7</b>
Chief of Staff	7.5	0.8	0.9	0.0	0.0	9.1	7.7
Divisions reporting to the Executive Director	1.9	0.4	7.4	1.9	33.5	45.0	37.5
Office of the Deputy Executive Director	17.4	26.6	2.6	6.7	1.4	54.6	44.5
Partnerships and Advocacy Department	1.1	2.3	2.6	52.6	0.0	58.7	44.0
Programme and Policy Development Department	15.5	8.8	17.0	3.6	0.0	44.9	30.6
Resource Management Department	14.8	47.3	12.7	0.0	2.1	76.9	57.2
Workplace Culture Department	9.3	17.7	2.7	0.2	0.0	29.9	20.2
<b>Central appropriations</b>	<b>0.9</b>	<b>20.9</b>	<b>0.0</b>	<b>4.8</b>	<b>2.2</b>	<b>28.7</b>	<b>16.5</b>
<b>2022 total</b>	<b>111.3</b>	<b>164.1</b>	<b>77.1</b>	<b>102.1</b>	<b>41.5</b>	<b>496.1</b>	
<b>2021 total</b>	<b>83.7</b>	<b>178.6</b>	<b>68.1</b>	<b>73.2</b>	<b>39.8</b>		<b>443.5</b>

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283. While the overall PSA budget is 12 percent higher in 2022 than in 2021, there are significant increases and decreases in the budget by pillar. Allocations will increase by approximately 33 percent for pillar A (strategy and direction), 13 percent for pillar C (policy, guidance and quality assurance) and 39 percent for pillar D (advocacy, partnerships, fundraising and United Nations coordination). Pillar E (governance and independent oversight) will increase by 4 percent. Pillar B (business services) shows a decrease of 8 percent compared with 2021.
284. The reduction in the PSA budget for country offices has significantly affected the allocations by pillar, in particular the changes shown in pillars A, B and D. In 2022, the PSA budget of USD 43.0 million for country offices is split evenly between pillars A and D. By contrast, the 2021 budget of USD 103.4 million was attributed USD 62 million to pillar B and the remainder to pillars A (USD 25.1 million), C (USD 5 million) and D (USD 11.2 million). However, the elimination of the country offices' PSA budget for business services is largely offset by increases in the business services of regional bureaux and the Resource Management, Programme and Policy Development and Workplace Culture departments, along with an increase in central appropriations.
285. The increase in pillar A is driven largely by the increases in the budgets of the regional bureaux and the Office of the Deputy Executive Director. Fifty percent of the total increase in the budget for regional bureaux is allocated to pillar A, while all of the increase in the Office of the Deputy Executive Director's budget is attributed to pillar A.
286. The increase in pillar D is related to the reallocation of funding from other pillars in the budget for country offices and the increase in the budget of the Partnerships and Advocacy Department, which is consistent with the mainstreaming of strategic partnerships into the PSA budget.

## **Gender equality and women's empowerment**

287. Investment in gender equality and women's empowerment will be guided by the evaluation of WFP's gender policy for 2015–2020,<sup>52</sup> which recommended that WFP allocate sufficient PSA funding to the implementation of its corporate commitments, including the work of the Gender Office and implementation of the regional gender strategies; develop strategies for the mobilization of extrabudgetary and project funding, in line with United Nations reform; and invest in dedicated, professional gender advisors at headquarters, regional bureaux and country offices. These investments will also enable WFP to fulfill the mandatory reporting requirements of the United Nation's System-wide Action Plan on Gender Equality and the Empowerment of Women.
288. The Gender Office continues to support the integration of gender equality and women's empowerment into all of WFP's work and activities, with the aim of ensuring that the specific food security and nutrition needs of women, girls and boys are met. Resources have been allocated to the Gender Office for key activities that include the provision of technical support and training, the implementation of the gender transformation programme, the application of the WFP Gender with Age Marker and the integration of gender equality and women's empowerment into policies, strategies and other corporate documents.

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<sup>52</sup> WFP/EB.A/2020/7-B and WFP/EB.A/2020/7-B/Add.1.

289. The procedure for estimating the planned resources allocated to gender-related activities was updated as part of the BUSBE budget collection exercise. The procedure includes the proportional costs of personnel engaged in, and other costs contributing to, actions for gender equality at headquarters, regional bureaux and global offices. For 2022, nearly USD 24.4 million for gender equality activities was estimated under baseline activities, of which USD 20.8 million is incorporated into the PSA budget, compared with the 2021 estimate of USD 15.4 million. The increase in the planned gender equality costs, compared with 2021, is due primarily to changes in the methodology, as short-term employees with gender responsibilities are only included from 2022 onwards; an increase in the number of units that plan to implement gender equality activities; and the overall increase in the number of WFP employees, including those with gender responsibilities.

### Indirect support cost rate

290. WFP's ISC rate is calculated to ensure that the cost of the activities defined in the PSA budget can be fully funded with projected contribution revenue. At the same time, the rate established should not generate excess income that could otherwise be used for direct programme implementation.

291. A method for deriving the standard ISC rate was established in 2006<sup>53</sup> and the derived rate for 2022 has been calculated as shown in table V.7.

2020 baseline	6.24
Increase for higher indirect expenditures in 2022	1.02
Decrease for higher funding forecast	(0.37)
Decrease for higher PSAEA balance	(0.29)
Derived ISC rate for 2022	6.59

292. Although analysis indicates a slightly increased ISC rate of 6.59 percent, for 2022 the Secretariat proposes maintaining a headline ISC rate of 6.5 percent and a lower rate of 4 percent for contributions that governments make to programmes in their own countries and contributions from developing countries or countries with economies in transition. The 6.5 percent rate continues to be the lowest such headline rate among the funds, programmes and specialized agencies of the United Nations.

293. The PSA budget proposal of USD 496.1 million<sup>54</sup> is set within the Secretariat's means and has been prepared taking account of projected ISC income of USD 501 million<sup>55</sup> arising from forecast contribution revenue of USD 8.4 billion for 2022.

<sup>53</sup> WFP/EB.A/2006/6-C/1.

<sup>54</sup> The PSA excludes significant one-time investments funded from reserves, usually the PSA equalization account, or the unearmarked portion of the General Fund as explained in section VII.

<sup>55</sup> The lower derived ISC rate of 6.3 percent takes into account the application of reduced or waived ISC for some contributions in line with general rule number XIII.4.



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## Section VI: Corporate services financing mechanism

### Overview

294. This section of the management plan (2022–2024) summarizes the corporate services financing mechanism adopted in 2014 and the nature of support services that the mechanism is intended to cover in 2022.

### The corporate services financing mechanism

295. The corporate services financing mechanism is a revolving mechanism<sup>56</sup> that enables WFP to provide services economically and efficiently through three funds: the fleet centre, the Capital Budgeting Facility (CBF) and fee-for-service activities. The mechanism serves as an internal tool for flexibly managing operations and does not require contributions from donors.

### Increase of the ceiling for corporate services

296. The ceiling of USD 70 million approved by the Board in 2014 for the corporate services financing mechanism was increased to USD 82 million in the management plan for 2016–2018. WFP is requesting a further increase in the ceiling to USD 147 million.

297. WFP's significant growth since the corporate services financing mechanism was adopted has increased demand, especially for the CBF and fee-for-service advances. In 2014, with a ceiling of USD 70 million, the mechanism accounted for 1.7 percent of the total implementation plan of USD 4.20 billion. With the proposed ceiling of USD 147 million, the mechanism would account for 1.7 percent of the total implementation plan for 2022 of USD 8.5 billion. The requested increase in the ceiling has the aim of keeping pace with the projected 102 percent growth in implementation plans between 2014 and 2022.

298. Such a degree of growth places high pressure on the corporate services financing mechanism, which supports an increasing number of multi-year projects that require capital investments. In addition, as a result of the BUSBE, at the beginning of each calendar year an increasing number of corporate services that can be directly linked to CSPs might require funding allocations that are subject to cost recovery during the year as services are delivered.

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<sup>56</sup> [WFP/EB.A/2014/6-D/1](#).

299. Table VI.1 shows the requested increase by fund.

<b>TABLE VI.1: CURRENT AND PROPOSED CORPORATE SERVICES CEILING</b>		
<b>Description</b>	<b>Current ceiling (USD million)</b>	<b>Proposed new ceiling (USD million)</b>
<b>Fleet centre</b> Advances for fleet services for all WFP offices and operations	15	15
<b>Capital budgeting facility</b> Advances for multi-year projects that can demonstrate quantifiable benefits	47	82
<b>Fee-for-service activities</b> Advances for corporate services or activities, which are normally recovered from CSPs, headquarters units and global offices.	20	50
<b>Total</b>	<b>82</b>	<b>147</b>

### **Fleet centre**

300. The fleet centre fund provides advances to special accounts to cover the capital and operational costs of fleet services, which are subsequently recovered through vehicle leasing fees charged to the budgets of WFP offices, CSPs or other funding sources that have used the services. This financing mechanism enables WFP to optimize centralized procurement through the bulk purchasing of vehicles, while the transparent leasing service mechanism and the five-year light vehicle and eight-year armoured vehicle lifecycles enable WFP offices to plan and align their funding accordingly.
301. WFP's fleet service currently has more than 2,600 leased vehicles in its portfolio and provides holistic fleet management services by bringing together centralized vehicle leasing, system support, data analysis, technical and advisory services and training in a single centre of expertise.
302. WFP's collaboration with UNHCR on setting up a joint structure to provide fleet services for other United Nations agencies under the United Nations reform agenda has gained momentum, with staff from both organizations focusing on project management, workstreams and deliverables. An ambitious timeline has been set with the goal of supplying vehicles on lease to another agency before the end of 2021. Meanwhile, the WFP fleet management centre continues to work with FAO on the finalization of a global agreement on the provision of leasing services.
303. The fleet centre fund provides advances for two special accounts: the global vehicle leasing programme (GVLP) and the self-insurance scheme. The projected overall expenditure for 2022 is USD 38.5 million in total, with USD 37.3 million for the GVLP and USD 1.2 million for self-insurance.
304. The expected revenue from vehicle leases in 2022 is sufficient to cover the yearly expenditures of the two special accounts; therefore, a loan will not be required to support them in 2022. However, should there be unforeseen demand from WFP operations and other United Nations agencies such as FAO, the fleet centre fund will be able to provide advances from the projected opening balance of USD 5 million.

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### Capital budgeting facility

305. The CBF was established in the management plan for 2014–2016 as a revolving fund that enables WFP to provide advances for multi-year projects and to receive repayments from country portfolio budgets or other funding sources over agreed time periods. The CBF ceiling imposes a cap on the maximum permissible value of approved projects minus repayments made to the facility at any point in time. The current ceiling is USD 47 million.
306. Under current budget governance arrangements, applications for CBF advances are evaluated based on their return on investment, contributions to cost efficiency and programme and management effectiveness, and the feasibility of the repayment plan. They are endorsed by the Strategic Resource Allocation Committee prior to presentation to the Executive Director for final approval.
307. In the first instance, the CBF will be earmarked for advances that remain to be provided for approved CBF applications. The approved allocations for 2022 total USD 27.4 million, which includes advances to multi-year projects that also received funds in 2021, such as implementation of the private sector partnerships and fundraising strategy, development of the human capital management platform and construction of premises for the Mali country office. Advances will also be provided for improvements to premises in Nepal and Uganda and energy efficiency projects. Some of the main projects that have received advances from the CBF are described in the following text box.
308. In addition to these approved projects, loan applications for projects with an estimated value of USD 21 million are expected. Among these projects are development of the Abéché area office in Chad as a United Nations common premises, and construction of United Nations houses in Algeria and Malawi. Applications for common United Nations premises might also arise in 2022 and beyond, in connection with the reform of the United Nations development system, as might other applications in connection with new ways of working and implementation of the environmental management system for WFP's support operations.
309. In 2022, repayments of a total value of USD 6.7 million are expected from projects that were implemented in previous years, such as implementation of WFP's digital beneficiary information and transfer management platform (SCOPE) in South Sudan, fleet truck augmentation in Ethiopia and premises construction in Mali. Repayments against advances provided for ongoing and new projects approved in 2022 will continue in accordance with repayment schedules agreed at the time of project approval. Repayments are monitored by the Corporate Planning and Performance Division (CPP).
310. In light of ongoing and anticipated demands on the CBF in 2022, including planned advances in 2022 and repayment plans, an increase of USD 35 million in the CBF ceiling is requested, taking the ceiling to USD 82 million.

## Recently approved applications for CBF loans

### Implementation of SCOPE in South Sudan

South Sudan will implement SCOPE to scale up the biometric registration of crisis-affected populations, thereby contributing directly to the WFP operation's cost-efficiency and internal controls. The CBF loan is repaid through a service fee and from directed donor contributions for funding this innovation.

### Capital for constructing new facilities in country offices

*Mali:* Work on new premises will include adaptation to new post-COVID standard working modalities, security upgrades and installation of a solar power system to improve energy efficiency. The country office commits to repaying the CBF loan within six years (2022 to 2027). Repayments will be made from direct support costs (DSC).

*Uganda:* A new, green WFP/UNICEF common premises will be constructed, accommodating approximately 25 percent more staff and achieving full compliance with security standards. The loan will be repaid from DSC over a period of 6.5 years.

### Human capital management platform

Support will be provided for the multi-year implementation of cutting-edge technology and analytics that facilitate efficient and effective people management, improved human resources services and data-driven people management decisions. Once implemented, the human capital management platform will reduce the costs of external payroll processing services. The USD 13.3 million CBF loan will be repaid over a period of six years, based on annual repayments of USD 2.23 million starting in 2023 and using savings derived from lower third party payroll processing costs in regional bureaux and country offices.

### Private sector partnerships and fundraising strategy

WFP's digital fundraising strategy<sup>1</sup> engages people worldwide in initiatives such as ShareTheMeal (which was awarded the 2020 best application of the year by Google and Apple) aimed at increasing yearly income from individual supporters and boosting familiarity with WFP's "brand" by 2025. In 2019, the Board approved the strategy, including the proposed funding approach of using a combination of critical corporate initiative investments, a loan from the CBF, a portion of donated funds and the programme support and administrative (PSA) budget. The CBF loan will be repaid from retained income over five years, from 2026 to 2030.

<sup>1</sup> WFP/EB.2/2019/4-A/Rev.1.

## Fee-for-service activities

311. The fee-for-service fund provides advances to cover the costs of internal services provided centrally, with repayment of the advances throughout the year from the fees collected for services rendered. The advances outstanding at any time cannot exceed the ceiling for the fund, but the volume of turnover during the year may exceed the ceiling.
312. Services that benefit from fee-for-service advances include the recurring costs of corporate information technology (IT) operational costs (recovered on a per capita basis), staff security, food safety and quality, and the Logistics Execution Support System. Under the BUSBE cost recovery workstream, certain cost elements for procurement, shipping and beneficiary management will also become eligible for advances from the fund.

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313. The per capita funding model was introduced in 2013 to recover the recurring costs of corporate IT systems and connectivity. The per capita budget covers standard IT infrastructure, contractual services, licences and fees and is estimated at USD 47 million in 2022, with approximately 20 percent related to global headquarters and 80 percent to country offices. The costs are recovered quarterly based on a headcount of employees in the WFP unit or office receiving the services.
314. The staff security emergency special account covers the costs related to security compliance and oversight, risk management support, and security analysis and field operations engagement. These activities support country offices in complying with minimum operating security standards. The costs cover staff, training, travel and tools. The projected expenditure for 2022 is USD 5 million, which is recovered from a charge included in standard position costs.
315. Advances from the fee-for-service fund can also be provided to the food safety and quality special account to support country offices with food safety and quality activities in all their operations. Full costs are recovered through the food transfer costs, but the expectation is that food safety and quality services might not require advances from the fee-for-service fund in 2022.
316. As highlighted by the BUSBE, several baseline activities can be traced directly to country office operations. To ensure that activities are funded from the most appropriate funding source, the activities that can be linked to CSPs will be charged to CSPs. The criteria for activities that fall into this category include whether they are transactional rather than normative in nature. A subset of the activities in three functions – beneficiary management, shipping services and procurement services – meet this criterion and are expected to be subject to fee-for-service arrangements. The projected volume of transactions from the services identified for funding through direct charges to CSPs amounts to USD 12.4 million. Some procurement and shipping service activities that are transactional and were previously funded solely from the PSA budget, and elements of beneficiary management, are classified as direct services and subject to cost recovery. These costs do not therefore appear as “baseline” costs in the management plan.
317. Advances from the fee-for-service fund will be used for the following activities:
- Shipping services: provision of ocean transport services – tendering, negotiation, booking, tracking and settlement of contracts – primarily for the movement of food distributed through WFP operations, but might also be for non-food items used in WFP operations. An estimated USD 2.7 million is to be funded through direct charges to CSPs. Normative, oversight, strategy and advisory services provided by the shipping unit and budgeted at USD 3.5 million will continue to be funded from the PSA budget. Any other services for humanitarian partners or technical support provided to governments for capacity strengthening will be charged as direct costs through special accounts or CSPs, as appropriate.
  - Procurement services: provision of food, non-food items and services – tendering, negotiation, contracting and settlement – for WFP operations. An estimated USD 2.7 million is to be funded through direct charges to CSPs. Enhancement of sustainable procurement and strengthening of field support, normative, oversight, strategy and advisory services provided by the procurement unit and budgeted at USD 4.4 million will be funded from the PSA budget.
  - Beneficiary management: provision and maintenance of tools and advisory services for end-to-end management of WFP’s beneficiary data, which includes identification, registration, planning, verification, recording, reconciliation and reporting activities. An estimated USD 7 million is to be funded through direct charges to CSPs.

318. The corporate services financing mechanism, including in particular the CBF and fee-for-service activities, has proved to be a successful tool for bringing quantifiable benefits to WFP. Since it was established in 2014, the CBF has recorded no write-offs and has received an increasing number of loan requests for supporting WFP operations and strengthening WFP's duty of care towards its employees and the environment. The new business model introduced by the BUSBE will include an increase in advance requests for the fee-for-service mechanism, which has successfully supported many corporate services and improved the predictability of operations by allowing service provision commitments to be funded at the beginning of the year. The Secretariat therefore recommends increasing the corporate service ceiling from USD 82 million to USD 147 million.

## Section VII: Status of reserves

### Overview

319. The General Fund is a separate fund category that is credited with indirect support cost (ISC) recoveries, miscellaneous income and contributions received that are not designated to a specific programme category, project or bilateral project.
320. Reserves are facilities established by the Board for funding and financing specific activities. WFP has four active reserves: the operational reserve; the Global Commodity Management Facility reserve; the IRA; and the PSA equalization account (PSAEA). An operational reserve is maintained within the General Fund as required under financial regulation 10.5 to ensure the continuity of operations in the event of a temporary shortfall in resources. In addition, the operational reserve is used to manage the risk associated with the internal project lending facility.
321. This section provides an overview of the PSAEA and the unearmarked portion of the General Fund.

### Status of the programme support and administrative equalization account

322. The PSAEA, established in 2002, records the differences between WFP's ISC revenues and the PSA expenses for the financial period. The balance acts as a safety net to underwrite the risk of a shortfall in ISC income versus PSA expenditure. In 2015, the Board endorsed the use of the PSAEA for critical corporate initiatives,<sup>57</sup> which enable WFP to invest in sustainable initiatives that require non-recurring investment and improve the delivery of services to beneficiaries. Subject to the approval of the Board, the PSAEA can also be used for thematic support funds and for strengthening WFP's reserves.
323. Following a review of the optimal balance of the PSAEA,<sup>58</sup> the account has a target level of five months of PSA expenditure and a "floor" that is equivalent to two months of PSA expenditure. The projected opening and closing balances and movements in the PSAEA in 2021 are shown in table VII.1. The projected 2021 closing balance of USD 266.9 million will be equivalent to 7.2 months of PSA expenditure.

<b>TABLE VII.1: PROJECTION OF THE PROGRAMME SUPPORT AND ADMINISTRATIVE EQUALIZATION ACCOUNT FOR 2021 (USD million)</b>	
<b>PSAEA balance at 31 December 2020</b>	<b>231.6</b>
2021 ISC projected revenue (based on forecasted income of USD 8.6 billion)	511.0
Approved 2021 PSA budget	-443.5
PSAEA drawdowns in 2021	-32.2
- <i>Termination indemnity fund</i>	-10.0
- <i>Private sector strategy</i>	-22.2
<b>Projected PSAEA balance at 31 December 2021</b>	<b>266.9</b>

<sup>57</sup> [WFP/EB.A/2015/6-C/1](#). The criteria are that a proposal must be one-off; not covered by the regular PSA budget; not related to a project; in need of predictable funding; unlikely to generate sufficient additional investment from donors; and focused on organizational change.

<sup>58</sup> [WFP/EB.2/2015/5-A/1/Rev.1](#).

## The programme support and administrative equalization account and critical corporate initiatives for 2022

324. In the light of the healthy PSAEA balance projected for the beginning of 2022, the Secretariat is proposing to invest in two critical corporate initiatives totalling USD 42.4 million. Table VII.2 shows the projections for the PSAEA in 2022. The projected balance is USD 229.4 million at 31 December 2022, equivalent to 5.6 months of PSA expenditure, thus providing an additional cushion beyond the target level of five months should the projected revenue forecasts in 2021 or 2022 not materialize.

<b>TABLE VII.2: PROJECTION OF THE PROGRAMME SUPPORT AND ADMINISTRATIVE EQUALIZATION ACCOUNT FOR 2022 (USD million)</b>	
<b>Projected PSAEA balance at 31 December 2021</b>	<b>266.9</b>
2022 ISC projected revenue (based on forecasted income of USD 8.4 billion)	501.0
Proposed 2022 PSA budget	-496.1
PSAEA drawdowns in 2022	-42.4
- <i>Private sector strategy</i>	-17.1
- <i>Investing in WFP people</i>	-25.3
<b>Projected PSAEA balance at 31 December 2022</b>	<b>229.4</b>
<b>2022 PSAEA target (equivalent to 5 months of 2022 PSA expenditures)</b>	<b>206.7</b>
<b>2022 PSAEA floor (equivalent to 2 months of 2022 PSA expenditures)</b>	<b>82.7</b>

## Use of the programme support and administrative equalization account for critical corporate initiatives

### Multi-year initiative on the private sector strategy (USD 17.1 million in third year)

325. To enable it to save more lives and change more lives, WFP plans to significantly increase funding from the private sector, primarily through its fundraising programme from individuals, which is a large and growing source of funds that are often given flexibly and can be used for WFP's greatest needs. The private sector partnerships and fundraising strategy,<sup>59</sup> approved at the 2019 second regular session of the Board, forecasts that income from the fundraising programme from individuals – which raises funds from individuals around the world through the ShareTheMeal application, the wfp.org website and Friends' organizations in the United States of America and Japan – will increase from USD 17.6 million in 2018 to USD 172 million in 2025. It is forecast that during the period of the strategy (2020–2025) cumulative gross income of USD 684 million will be raised from donations by individuals around the world. The critical corporate initiative investment discussed here totals USD 52.3 million over the period 2020–2022 and relates only to the growth of the fundraising programme from individuals under pillar 2 of the private sector strategy – income.

326. So far, satisfactory progress against the KPIs has been achieved, as demonstrated in the quarterly reports produced in 2020 and 2021. The income raised from individuals increased to USD 50 million in 2020, and 700,000 new supporters were recruited from around the world. In 2021, ShareTheMeal, the wfp.org fundraising team, World Food Program USA (WFP USA) and the Japan Association for WFP (JAWFP) are on track to raise USD 77.5 million

<sup>59</sup> WFP/EB.2/2019/4-A/Rev.1.



by the end of the year, having already raised 61 percent of that total by the middle of the year. The high percentage of income already raised is due to the receipt of especially high income from WFP USA at the start of 2021 following successful fundraising in the fourth quarter of 2020.

327. KPIs for individual giving have consistently been exceeded. The target return on advertising spend (ROAS) of 1.7 for the 12 months after a new supporter's first donation was exceeded in 2020 with an estimated return of 2.0 across all teams and channels. Together, the ShareTheMeal and wfp.org fundraising teams invested USD 10.2 million in 2020, which generated income of USD 18.8 million by the end of 2020, although many new supporters made donations for only part of the year and not for the full 12 months. In 2021, the ShareTheMeal and wfp.org fundraising teams have been allocated USD 18.25 million of the USD 22.15 million critical corporate initiative investment for the year. The new supporters recruited by the teams in 2020 continue to donate generously in 2021 and are already exceeding the long-term returns forecast in the investment model.

<b>TABLE VII.3: PRIVATE SECTOR INCOME FORECAST FOR 2021 (USD million)</b>		
<b>Income stream</b>	<b>Received - by 30 June 2021</b>	<b>Total 2021 forecast*</b>
Corporations	37.5	53
Foundations	297.4	315
Individuals**	47.3	77.5
<b>Total</b>	<b>382.2</b>	<b>445.5</b>

\* Target forecast calculated as high + medium + 30 percent of low probability.

\*\* "Individuals" includes income from Friends organizations and is significantly ahead of the target at the mid-year point due to higher than expected income from WFP USA.

328. At the mid-point of the second year of the private sector strategy a significant milestone has been reached, in that it is now possible to assess the performance of new supporters recruited in 2020. Donations from new supporters recruited in 2020 have achieved a cumulative ROAS of 2.8, and with many supporters continuing to donate throughout 2021 this return will increase by the end of the year. The donors recruited in 2020 are therefore on track to exceed the target 12-month ROAS of 1.7 and the 24-month target of 2.9 by the end of 2021.
329. Thanks to the continued growth of the fundraising programme from individuals, WFP is advancing towards the private sector strategy goals of developing a sustainable revenue stream and diversifying income. The ShareTheMeal team's incorporation into WFP's Private Partnerships and Fundraising Division will enable it to engage more fully with a wider range of individual supporters and to harness opportunities to share expertise and insights with the individual giving team. Despite ongoing global economic challenges related to the COVID-19 pandemic, the continued support from existing supporters and the growth in the number of new supporters donating to WFP and similar organizations worldwide provide evidence that individual giving is a resilient approach to generating sustainable, flexible funds for WFP.
330. Table VII.4 identifies the KPIs that have been monitored since the critical corporate initiative started in 2020. The KPIs are grouped by deliverable.

<b>TABLE VII.4: KEY PERFORMANCE INDICATORS, TARGETS FOR 2020-2022 AND RESULTS IN 2020</b>				
<b>Key performance indicator</b>	<b>2020 achieved</b>	<b>2020 target</b>	<b>2021 target</b>	<b>2022 target</b>
<b>Deliverable 1: Increase total individual giving income for WFP</b>				
Total funding from individuals ( <i>USD million</i> )	50.2	40.0	77.5	112.0
"Paid acquisition" income ( <i>USD million</i> )*	17.8	16.5	46.0	82.0
<b>Deliverable 2: Ensure high return on investment</b>				
Average 12-month return on advertising spend	2.0:1	1.7:1		
<b>Deliverable 3: Recruit high-value supporters, including regular supporters</b>				
Average donation, regular and single gift ( <i>USD</i> )	Single: 21.3 Regular: 21.3	Single: 50.0 Regular: 16.0		

\* Please see paragraph 331 for an explanation of "paid acquisition" income.

331. The KPIs for deliverable 1 measure progress by tracking the income raised for WFP operations. Table VII.4 shows that funds raised in 2020 amounted to USD 50.2 million, compared with the target of USD 40 million. By the middle of 2021, USD 47.3 million of the USD 77.5 million target for the year had been raised. In addition to tracking the total income from individuals, it is important to monitor the income from paid acquisition (that is, the income derived from investments in activities and tools for attracting new supporters) in order to assess both the total amount of income raised and performance, which is tracked by KPIs 2 and 3. The KPI for deliverable 2 measures the projected 12-month ROAS, focusing on the ratio between income from paid advertising activities and expenditure on media with the aim of ensuring that WFP receives sufficient value from the funds it invests. The KPI for deliverable 3 measures the success of investment by tracking the values of donations from single and regular donors. The three KPIs are aggregated to calculate the projected ROAS and tracked to show the actual ROAS. It is possible for these values to vary from their targets and still to achieve the overall ROAS target, for example when a relatively low average donation per supporter is offset by a relatively low acquisition cost per supporter.

332. In 2020 the average single donation target was USD 50, compared with an actual average of USD 21; however, the acquisition cost for this type of donor was USD 11, significantly lower than the target value of USD 30. The supporters most likely to have the highest value for WFP over the long term are those who make regular monthly contributions. The programme is performing better than expected in terms of the average monthly donation from regular supporters, which was USD 21 in 2020, compared with the planned amount of USD 16. In 2021 the average monthly donation has risen to USD 21.77; this is 36 percent higher than planned and offsets the low percentage of regular monthly supporters recruited, which is below the target.

### **Implementation and allocation in 2022**

333. In 2022, the critical corporate initiative investment will be used for media expenses and costs related to the use of external consultants to support the Private Partnerships and Fundraising Division's ShareTheMeal and wfp.org fundraising teams and external funding organizations such as JAWFP and WFP USA, to enable them to maximize investment opportunities and returns and mitigate risks.<sup>60</sup> No WFP staff are funded from this CCI.

<sup>60</sup> The 2021 quarterly reports will provide updates on the returns on investment for the ShareTheMeal and individual giving teams, and results from Friends' organizations will be reported at the end of the year.

A significant amount of the media investment for the ShareTheMeal and wfp.org fundraising teams is used for advertising on social media platforms, and smaller amounts are allocated to other platforms or outlets as a way of maintaining flexibility. Table VII.5 shows how critical corporate initiative investment has been used by fundraising teams over the three years of the initiative.

<b>Fundraising team</b>	<b>2020 actual</b>	<b>2021 forecast*</b>	<b>2022 forecast*</b>
wfp.org	4.3	8.9	6.8
ShareTheMeal	6.4	8.9	6.8
Friends' organizations (JAWFP and WFP USA)	2.4	4.4	3.4
<b>Total</b>	<b>13.1</b>	<b>22.2</b>	<b>17.1</b>

\* Allocations for 2021 and 2022 are estimates.

334. Friends' organizations allocate funds according to their specific markets. For example, WFP USA made significant investments in its successful digital programme, while in Japan the focus is currently on investing in face-to-face fundraising.
335. As agreed with the Board at the end of 2020, WFP will issue quarterly financial reports and six-monthly reports on progress in implementation of the private sector strategy. Periodic events and informal sessions will be held to provide updates on specific aspects of WFP's evolving private sector engagement and to solicit feedback from Board members.
336. Approval and disbursement of the third and final tranche of investment funding of USD 17.1 million is proposed for the Board's approval. If approved, the tranche will be released in January 2022 only if 2021 mid-year results reporting shows that Board-approved KPIs have been achieved. Following completion of the critical corporate initiative, efforts related to the private sector partnerships and fundraising strategy will be funded from returns on investment and the growth in income from private sector donors.

#### **Multi-year initiative on investing in WFP people (USD 25.3 million in the first year)<sup>61</sup>**

337. The new strategic plan for 2022–2026 will identify WFP's people as a key enabler of the achievement of the organization's mission. WFP is committed to delivering excellence in people management that enables it to continue to save and change the lives of food-insecure people. The WFP people policy<sup>62</sup> provides a vision of WFP's future workforce and a framework for the achievement of four related work priorities: "nimble and flexible"; "performing and improving"; "diverse and inclusive"; and "caring and supportive".
338. To achieve that vision, the investment in this CCI will support efforts to transform the workforce that WFP requires to fulfil its mandate, build improved, respectful and inclusive workplaces and support employee health and wellbeing. Implementation of the CCI will focus on the field level, including capacity strengthening for regional bureaux and country offices. The CCI is informed by the WFP people policy and related enablers such as the wellness strategy, the human resources strategy, findings from evaluations, surveys and audits and inputs from headquarters and regional bureaux.
339. The CCI covers one-time activities spanning three years. Any related recurring activities and funding are covered by the PSA budget. As foreseen in the WFP people policy, "effective implementation of the initiatives necessary to achieve excellence in the

<sup>61</sup> The current value is based on data from budget submissions analysed on 29 July 2021.

<sup>62</sup> WFP/EB.A/2021/5-A.

management of WFP's people requires a change management process that is long-term in nature, reflecting a sustained, coordinated, and incremental approach." The change management process comprises three interrelated phases – transition, mainstream and sustaining – and is supported by the five deliverables of the CCI: proactive management of structures and positions; acquisition and retention of diverse talent; capability and capacity development; development of respectful and inclusive workplaces; and employee safety, health and wellbeing.

340. During the period 2022–2024, the purpose of the CCI is to support excellence in people management, and the required organizational change, by strengthening WFP's organizational capacity to establish, operationalize and absorb corporate and cross-functional activities that achieve the outcomes expected from each deliverable. The expected outcomes and activities that support the transition and mainstreaming phases of the change management process in 2022 have been identified through detailed analysis of the inputs received from headquarters and regional bureaux as part of the BUSBE. The expected outcomes and activities for 2023 will be defined by mid-2022 based on progress achieved. During the period of the CCI opportunities for mainstreaming will be explored, and upon completion of the CCI in 2024, any future requirements for capacity strengthening and related activities will be mainstreamed into the PSA budget by embedding them in the recurring budget approved for global headquarters functions and in the country portfolio budgets for CSPs. An overview of the proposed budget for each deliverable is shown in table VII.6. Annex VII provides additional details and analysis broken down by deliverable and supporting activity.

## Budget summary

Deliverable	Total		Headquarters		Regional bureaux and country offices	
	Budget	FTE	Budget	FTE	Budget	FTE
Deliverable 1: Proactive management of structures and positions	7.1	54	4.5	29	2.7	25
Deliverable 2: Acquisition and retention of diverse talent	4.0	29	2.4	14	1.6	15
Deliverable 3: Capability and capacity development	8.7	49	3.4	9	5.3	41
Deliverable 4: Development of respectful and inclusive workplaces	1.0	9	0.9	7	0.1	2
Deliverable 5: Employee safety, health and wellbeing	4.4	23	0.4	2	4.1	21
<b>Total</b>	<b>25.3</b>	<b>164</b>	<b>11.6</b>	<b>61</b>	<b>13.7</b>	<b>103</b>

FTE = full-time equivalent number of staff and non-staff employees such as consultants.

341. Deliverables 1 and 3 are expected to represent the bulk of these initiatives and together account for 63 percent of the total budget (USD 25.3 million) and total full-time equivalent number of employees (FTEs (164)). Headquarters departments and divisions account for 46 percent, or USD 11.6 million of the total budget, while the regional bureaux and country offices account for the remaining 54 percent, or USD 13.7 million. Total costs are higher for the regional bureaux and country offices due to the number of FTEs that are expected to be required to support the CCI.

### **One-time, multi-year activities at headquarters**

342. Fourteen departments and divisions have activities that support the achievement of at least one of the five deliverables.
343. The Workplace Culture Department will oversee funding for the continued building and promotion of an enabling workplace culture through consistent local implementation of tailored policies and improvement actions, including those identified through assessment against the standards set by WFP's core values and people policy and the global staff survey.
344. At headquarters, resources will be made available for strengthening capacity, primarily at the regional and country office levels, reflecting WFP's priority of developing a diverse workforce and inclusive workplaces and its need to establish new processes and activities at the local level in order to adapt talent acquisition and employee onboarding and retention.
345. Other activities required for the establishment of strategic capacity at the departmental level are included in the CCI. For example, support for strategic talent management will be provided to WFP's global partnership function to ensure that the right staff are assigned to the right roles. The Programme and Policy Development Department will strengthen the knowledge and skills of its own staff and of a group of country directors and deputy country directors with a view to helping them to be more successful in their jobs and more effective in supporting efforts to achieve zero hunger.

### **One-time, multi-year activities at the regional bureau and country office levels**

346. All six of the regional bureaux have activities that support the achievement of at least one of the five deliverables, and country offices will receive enhanced assistance from the regional bureaux until they are able to incorporate appropriate changes into their CSPs.
347. The impact of the change management process depends on the capacity at the regional bureau and country office levels to absorb multiple initiatives and apply new standards and practices. The CCI enables the regional bureaux to establish or strengthen change management capacity and support country offices, primarily in two areas: recruitment and staff development activities, and occupational health and wellbeing, including specific regional activities.
348. Through recruitment and staff development activities WFP will invest in improving its approach to talent acquisition by embedding tools for candidate assessment such as aptitude or psychometric testing and training in competency-based interviewing and by equipping managers to serve as talent acquisition champions. A primary focus will be on acquiring a WFP workforce for the future and positioning the organization as a champion of workforce diversity, including by providing effective career development opportunities.

349. Activities covering occupational health and wellbeing will centre on implementing standards that ensure the fulfilment of WFP's duty of care for all employees in all regions, including provision of the necessary medical and technical support. The CCI will also support WFP in providing evidence-informed medical case management services for all employees at the regional and country office levels. Such services include the management of medical clearance, sick leave, travel and evacuations for medical reasons, disability and the provision of individual counselling and group psychosocial support for employees and their family members.

<b>Object of expenditure</b>	<b>Deliverable 1</b>	<b>Deliverable 2</b>	<b>Deliverable 3</b>	<b>Deliverable 4</b>	<b>Deliverable 5</b>	<b>Total</b>
Staff costs	3.8	3.0	3.9	0.3	3.5	14.6
Non-staff human resource costs	1.5	0.3	1.6	0.4	0.4	4.3
Non-staff other costs	1.8	0.7	3.2	0.2	0.6	6.4
<b>Total</b>	<b>7.1</b>	<b>4.0</b>	<b>8.7</b>	<b>1.0</b>	<b>4.4</b>	<b>25.3</b>

350. Table VII.7 provides a breakdown of the costs planned under each of the five deliverables. Staff costs are included to reflect the multi-year nature of the initiative and in accordance with the provisions of the (proposed) WFP staffing framework relating to functions that will be required for one year or more. The proposed non-staff HR costs, mainly for consultants, are for the provision of expert advice or the fulfilment of professional functions in the short-term.

351. Staff and non-staff HR costs are highest under deliverables 1 and 3, totalling USD 10.9 million and reflecting the investment required to strengthen the capacity of and provide guidance to regional bureau and country office managers. In addition, more than three quarters of total non-staff other costs arise from these two deliverables. Non-staff other costs, meaning those costs not directly connected with employment, include duty travel, training, office supplies and communications.

### **Key performance indicators**

352. Table VII.8 identifies the key performance indicators (KPIs) to be monitored over the three-year lifecycle of the CCI. The KPIs are grouped by deliverable. As is the case with other new WFP initiatives, KPIs are developed and tested prior to the gathering of baseline measurements and the setting of ambitious and achievable targets. Additional details on the KPIs listed in table VII.8 can be found in annex VII.

<b>TABLE VII.8: KEY PERFORMANCE INDICATORS, 2022 BASELINES AND TARGETS, BY DELIVERABLE</b>			
	<b>Budget</b>	<b>Baseline</b>	<b>Target</b>
<b>Deliverable 1: Proactive management of structures and positions</b>	<b>7.1</b>		
Number of country offices completing workforce planning exercise			
Percentage of positions filled			
Percentage of workforce employed on short-term contract			
<b>Deliverable 2: Acquisition and retention of diverse talent</b>	<b>4.0</b>		
Number and percentage of applications received from and appointments made of people from selected diverse groups (being developed as part of WFP diversity and inclusion initiatives)			
Average number of days to offer a position			
<b>Deliverable 3: Capability and capacity development</b>	<b>8.7</b>		
Number of country offices reporting an improved match between the skills required and those available.			
<b>Deliverable 4: Development of respectful and inclusive workplaces</b>	<b>1.0</b>		
Number of activities completed that promulgate WFP's core values, mutual commitments and ethical standards			
Number of global staff survey action plans in operation			
<b>Deliverable 5: Employee safety, health and wellbeing</b>	<b>4.4</b>		
Percentage of units complying with WFP security management policy and framework of accountability			
Number of new cases of service-incurred injury or illness			

### **Unearmarked portion of the General Fund**

353. The main source of income for the unearmarked portion of the General Fund is investment income derived from WFP's cash balances held in investment portfolios and bank and money market accounts and foreign exchange income on treasury transactions, which is credited to the General Fund in line with Financial Regulation 11.3.
354. The opening balance of the unearmarked portion of the General Fund was USD 281 million on 1 January 2021 and is forecasted to reach USD 298 million at the end of 2022. The forecasted balance of the unearmarked portion of the General Fund is net of treasury management expenses (investment management, bank and advisory fees and treasury staff costs) and other expenses (including projected allowances/write-offs).

### ***Proposed increase in the use of the annual unearmarked General Fund allocated to the Treasury Branch***

355. To ensure optimal management of WFP's financial resources and enhance the monitoring of financial risks, WFP's Investment Committee has highlighted the need to increase capacity, staff and other support costs for the Treasury Branch. These investments are recommended as a way of enabling WFP to effectively manage greater values of cash and investments, additional oversight by investment managers, greater volumes of foreign exchange transacted centrally and on behalf of field offices, increased digitalization assistance for field offices as more payments are made electronically, more stringent external regulatory banking requirements, and increased business requirements including foreign currency management associated with the broader spectrum of services offered by WFP to host

governments. In the increasingly complex macroeconomic environment faced by many country operations, WFP is exposed to increased foreign exchange and counterparty risks in food and cash-based transfers. These risks are exacerbated in a growing number of countries where local currency balances have increased and cannot be repatriated or converted into hard currency, or where parallel foreign exchange markets flourish. For example, Ethiopia, Lebanon, South Sudan, the Sudan, the Syrian Arab Republic, Yemen and Zimbabwe have experienced these risks, requiring WFP to increase technical capacity to monitor exposure, analyse market developments, provide assistance to field offices and mitigate exposure where feasible by relying on partners or using sophisticated financial instruments.

356. In addition, WFP is exploring how to broaden its funding base by adopting innovative financing mechanisms based on new forms of partnership with the private sector, traditional donors, official creditors and multilateral institutions such as the World Bank and the International Monetary Fund (IMF). These efforts require expertise in financial structuring such as debt swaps and blended finance.
357. For this management plan covering 2022–2024, WFP proposes to increase the use of the annual unearmarked General Fund allocated to the Treasury Branch from USD 1.55 million<sup>63</sup> to USD 2.35 million. The increase would be fully offset against the expected income from interest on investments, which is allocated each year to the General Fund. The increase in resources would provide funding for an additional three positions in the Treasury Branch and increased information technology (IT) and other support costs.

#### **Potential future use of available reserve balances**

358. Historically, the Board has exercised its authority to approve allocations from available balances in reserves, specifically the PSAEA and the unearmarked portion of the General Fund, for strategic investments aimed at strengthening WFP's capacities, resourcing and financing mechanisms in support of strategic priorities. Examples of Board-approved allocations in prior years include enhancement of the WFP Information Network and Global System (WINGS), development of the country strategic planning framework and corporate results framework under the Integrated Road Map (IRM) and funding of the IRA and the Emerging Donor Matching Fund (EDMF).
359. WFP's share of the costs of the United Nations Department of Safety and Security (UNDSS) was funded from the unearmarked portion of the General Fund until 2014. However, UNDSS costs are deemed to be recurring business operation expenditures payable to a United Nations entity and now included in PSA central appropriations for 2022.
360. Prior to the approval of the strategic plan for 2022–2026, no proposals on the use of available reserve balances are included in this management plan for 2022–2024. In 2022, the Secretariat may submit to the Board specific proposals on funding WFP's capacities, resourcing and financing mechanisms in support of strategic priorities. Such proposals might include capital investment in the enterprise resource planning system and the funding of capacities to implement priority elements of the new strategic plan and CRF for 2022–2026. Proposals may also include funding for WFP's existing financing mechanisms such as the IRA and the EDMF and for any innovative financing structures deemed suitable for WFP. In accordance with established practice, the Secretariat will present detailed and costed proposals for the Board's approval.

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<sup>63</sup> Approved by the Executive Board through the management plan for 2019–2021: [WFP/EB.2/2018/6-A/1/Rev.1](#).



**Operational reserve**

361. Financial Regulation 10.5 calls for the maintenance of an operational reserve to ensure the continuity of operations in the event of a temporary shortfall in resources. The operational reserve of USD 95.2 million is used to manage the risk associated with the internal project lending facility of USD 570 million at a leverage ratio of 6:1. A recent assessment of the adequacy of the operational reserve concluded that from a risk management perspective, it would be feasible to raise the ceiling of the internal project lending facility by increasing the leverage ratio to 7:1 to meet increased demand associated with the growth in WFP operations over recent years. Such an option for increasing the leverage ratio may be recommended to the Board during 2022.

**Global Commodity Management Facility reserve**

362. The GCMF reserve provides for losses sustained by the facility that fall outside insurance coverage. The current balance of the reserve is USD 6 million; no movements have occurred in the reserve since its creation in 2014. At its 2021 annual session, the Board increased the ceiling for the GCMF from USD 560 million to USD 660 million. Based on absence of losses since its inception, the reserve is deemed adequate despite the increase in the ceiling of the GCMF.

## Section VIII: Management performance measurement

### Overview

363. The WFP corporate results frameworks (CRFs) for 2017–2021<sup>64</sup> and 2022–2026 are based on the principle that programme performance reflects WFP’s results in saving and changing beneficiaries’ lives, while management performance supports programme performance. These two areas of performance are measured by different types of indicator: programme output and outcome indicators for programme results, and key performance indicators (KPIs) for management results. The indicators are used for performance management and internal and external reporting at the country and corporate levels – CSP logical frameworks, annual plans and country reports.
364. The revised CRF for 2017–2021<sup>65</sup> sets targets for the programme outputs and performance indicators that guide WFP in using all available resources to accomplish its mandate, ensure transparency and accountability, and support the strategic direction of the organization. The 2022 targets provided in this management plan are provisional, as the new strategic plan and CRF may include revised indicators and targets for 2022–2026.
365. WFP’s CRF for 2022–2026 introduces a set of management results that are derived from the corporate priorities and the organizational enablers mentioned in the strategic plan.
366. In addition, the new strategic plan includes a dedicated section on cross-cutting results and related indicators, which are derived from WFP’s cross-cutting policies and strategies in key areas such as gender equality and women’s empowerment, nutrition integration, and protection and accountability to affected populations.
367. The emphasis on cross-cutting issues in WFP’s new strategic plan and CRF responds to the findings of recent reviews and evaluations – including the Multilateral Organisation Performance Assessment Network’s evaluation and the mid-term review of the CRF 2017–2021<sup>66</sup> – that WFP should develop a more robust framework for managing cross-cutting priorities. WFP has recognized these issues as areas of corporate responsibility and committed to strengthening its reporting on the implementation of cross-cutting policies.

### Corporate management performance targets

368. WFP’s corporate management performance targets define the standards to which the organization holds itself accountable in contributing to the implementation of the strategic plan and in supporting programme performance, and help ensure the most efficient use of financial, human and physical assets to fulfil its mandate. The standards are measured by three categories of indicator: category I and II indicators reflect WFP’s overall performance, and category III indicators are used internally by WFP for daily management of operations.

### Category I key performance indicators

369. Category I KPIs measure management performance that contributes to implementation of the WFP strategic plan through CSPs. There are three high-level category I indicators, the components of which are used in internal tools for country offices:

<sup>64</sup> [WFP/EB.2/2018/5-B/Rev.1](#) and [WFP/EB.A/2019/5-A](#).

<sup>65</sup> [WFP/EB.2/2018/5-B/Rev.1](#) and [WFP/EB.A/2019/5-A](#).

<sup>66</sup> Multilateral Organisation Performance Assessment Network. 2019. *MOPAN 2017–18 Assessments: Organisational Performance Brief World Food Programme (WFP)*.

- KPI 1: Overall progress towards achievement of indicator targets at the output and outcome levels in CSPs.
- KPI 2: Effective emergency preparedness and response measures WFP's performance against emergency preparedness and response standards. Component indicators that measure the efficiency, effectiveness and coverage of emergency response training will be maintained. However, in addition, WFP's corporate priority of leadership in emergencies will lead to a gradual expansion of the component indicators to optimize the use of KPI 2 in measuring performance in key areas under this priority, such as performance in emergency and surge capacity, emergency processes, "no regrets" response, access and civil military coordination.
- KPI 3: Overall achievement of management performance standards measures the performance of country offices in each functional area in supporting the implementation of CSPs. Aggregation of functional areas permits a corporate analysis of management processes.

<b>TABLE VIII.1: CATEGORY I MANAGEMENT KEY PERFORMANCE INDICATORS AND COMPONENTS</b>				
<b>Key performance indicator</b>	<b>2020 value</b>	<b>2020 target*</b>	<b>2021 target</b>	<b>2022 target**</b>
<b>KPI 1: Overall progress in country strategic plan implementation***</b>				
Component indicator				
% of outcome indicator achievement	66	85	85	85
% of output indicator achievement	60	80	80	80
<b>KPI 2: Effective emergency preparedness and response****</b>				
Component indicator				
% of training areas that met target number of training events in emergency response	100	100	100	100
% of learning objectives met across emergency response trainings	93	85	85	85
% of corporate alert system countries having benefited from advance financing (IRA, IR-R, IR-PREP)	88	90	90	90
<b>KPI 3: Overall achievement of management performance standards</b>				
Component indicator				
Management: gender representation (%)*****	43	Office milestones	Office milestones	Office milestones
Management: number of outstanding audit recommendations	71	Fewer than previous years	Fewer than previous years	Fewer than previous years
Management: % of overdue internal audit recommendations	12	<10	<10	<10
Programme: % of implemented evaluation recommendations	56	100	100	100
Programme: % of outputs achieved within partnerships	45	N/A	55	55
Supply chain: % of post-delivery losses	0.33	< 2	<2	<2

<b>TABLE VIII.1: CATEGORY I MANAGEMENT KEY PERFORMANCE INDICATORS AND COMPONENTS</b>				
<b>Key performance indicator</b>	<b>2020 value</b>	<b>2020 target*</b>	<b>2021 target</b>	<b>2022 target**</b>
Supply chain: % of tonnage uplifted by the agreed date	83	95	95	95
Supply chain: % of tonnage not reconciled	5	5	5	2
Budget and programming: % of CSP expenditures against original implementation plan	80	90	90	90
Human resources: performance and competency enhancement (PACE) compliance rate (%)	90	100	100	100
Human resources: mandatory training compliance rate (%)	81	95	95	95
Administration: % of internal controls in place and implemented in administration	73	75	75	80
Administration: % of WFP fixed assets physically counted and verified	98	100	100	100
Finance: % of enhanced risk items in the financial dashboard	6	< 7	< 7	< 7
Information technology: % of compliance with information technology security standards	89	100	100	100
Security: % of compliance with the WFP security management policy and framework of accountability	94	90	90	95
Resource mobilization: % of needs-based plan funded in country operations*****	91	80	80	80
Resource mobilization, communication and reporting: monthly target media penetration (%)*****	30	32	32	34
Resource mobilization, communication and reporting: story exploration (page views per visit to wfp.org/stories)	2.4	2.4	2.4	2.4
Resource mobilization, communication and reporting: social engagement score (%)	3.4	3.80	3.80	4

\* 2020 targets are based on the updated targets in the annual performance report for 2020: <https://docs.wfp.org/api/documents/WFP-0000127445/download/>.

\*\* 2022 targets will be finalized in the new strategic plan. The values presented here are provisional targets set by the corresponding focal points.

\*\*\* Following the KPI review exercise, output and outcome achievements reassessed in reference to baseline, target and follow-up values.

\*\*\*\* The component indicators under KPI 2 have been replaced by three new indicators that better reflect WFP's performance.

\*\*\*\*\* For gender representation, each country office has annual milestones.

\*\*\*\*\* The calculation consists of the available contributions divided by the annual needs-based plan. Available contributions include the annualized value of allocated contributions available and consisting of the yearly allocation of contributions, plus the unspent balance of allocated contributions carried forward from previous years.

\*\*\*\*\* WFP no longer reports on "favourable media coverage" but is working with a new partner that provides those data. The social engagement score indicator measures the degree of engagement that WFP's global channels generate each month over the year.

IR-PREP = Immediate Response Account for Preparedness; IR-R = Immediate Response Request.

## Category II key performance indicators

370. Category II KPIs have a more short-term perspective and measure progress against corporate priorities set by WFP's leadership,<sup>67</sup> multilateral arrangements and externally governed commitments.

371. As illustrated in table VIII.2, the first cluster of indicators covers the United Nations system and coordination. The KPIs are unchanged since the management plan for 2018–2020 and reflect WFP's continued external commitments. The second cluster covers the established priorities of WFP's executive leadership.

<b>TABLE VIII.2: CATEGORY II MANAGEMENT KEY PERFORMANCE INDICATORS AND COMPONENTS</b>				
	<b>2020 values</b>	<b>2020 target</b>	<b>2021 target</b>	<b>2022 target</b>
<b>United Nations system and coordination</b>				
% of achievement of quadrennial comprehensive policy review commitments*				
% of UN SWAP 2.0 indicators met or exceeded	81	88	88	88
% of cluster user surveys that reach their satisfaction targets	100	100	100	100
<b>Executive thematic priorities</b>				
% of employees completing mandatory training on harassment, sexual harassment and abuse of power (SHAP) and protection from sexual exploitation and abuse (PSEA)	82	95	100 **	100
% of country offices with a functioning community feedback mechanism***	56	60	65	70
% of WFP cash transfers supported digitally	71	80	80	80
% of country offices implementing environmental management systems	8	20	30	40
% of funding directed to the strategic outcome level or above	26	30	30	30

\* The "% of achievement of quadrennial comprehensive policy review commitments" reflected the policy recommendation of the Quadrennial Comprehensive Policy Review for 2016–2019. The United Nations system policy guidance for the 2021–2024 quadrennial period is currently being prepared for General Assembly consideration. As a result, this metric is currently suspended pending approval of a new quadrennial comprehensive policy review, which is expected by the end of 2021.

\*\* This indicator combines the completion rates of training in SHAP and PSEA. However, SHAP training material was being revised in 2021, so the indicator in 2021 reflects measurement against the PSEA target only. The target for 2022 is 100% for both SHAP and PSEA training.

\*\*\* The methodology for this indicator was revised to calculate the KPI value based on the community feedback mechanism standardization initiative, on which country offices were assessed for the first time in 2020.

UN SWAP = United Nation System-wide Action Plan on Gender Equality and the Empowerment of Women.

<sup>67</sup> First included in the management plan for 2018–2020, the category II KPIs were approved by WFP senior management in October 2019 and include indicators for which targets were set in the revised CRF part II approved by the Board at its 2019 annual session. These indicators are reviewed annually and are subject to additions and alterations following the Executive Management Group meeting in August each year.

## ANNEX VII

### Critical corporate initiatives for 2022

1. In 2015, the Executive Board endorsed use of the programme support and administrative (PSA) equalization account for critical corporate initiatives (CCIs). Prior to 2015, this funding source was used for similar activities, but a framework that defined the parameters for use of the PSA equalization account was lacking. Since 2015, WFP has used CCIs approved by the Board to strengthen the organization's systems and workforce and thus improve the delivery of services to food-insecure people.
2. The proposed CCIs for 2022 are detailed in this annex. Information provided includes results achieved to date (where applicable) and expected results and activities in 2022. In addition, implementation plans are explained and key performance indicators (KPIs) are identified.<sup>1</sup>

### Multi-year initiative on the private sector partnerships and fundraising strategy (USD 17.1 million in third year)

TABLE A.VII.1: OVERVIEW OF THE PRIVATE SECTOR PARTNERSHIPS AND FUNDRAISING STRATEGY CRITICAL CORPORATE INITIATIVE			
<b>Organizational unit(s)</b>	Private Partnerships and Fundraising Division	<b>Total proposed budget</b>	USD 17.1 million in 2022, the last year of the CCI (final tranche of USD 52.3 million allocated over three years)
<b>Corporate priorities to be addressed</b>	Funding and partnership for zero hunger	<b>CCI lifespan (single or multi-year)</b>	Multi-year (2020–2022)
<b>Organizational enablers</b>	<input checked="" type="checkbox"/> Partnerships <input type="checkbox"/> Workforce <input type="checkbox"/> Funding <input type="checkbox"/> Technology <input type="checkbox"/> Evidence <input type="checkbox"/> Innovation		

3. WFP plans to continue to increase funding from the private sector significantly – primarily from individuals – to enable it to save more lives and change more lives. The fundraising programme from individuals is a large and growing source of funds that are often given flexibly and can be used for WFP's greatest needs.
4. The CCI is required in order to continue the growth achieved in the fundraising programme from individuals, particularly through investments in the media to attract new and retain existing donors. In keeping with CCI conditions, funding from this source has been used only for non-recurring costs such as the one-time purchase of digital media advertising or one-time technical expenditures on technological improvements for developing digital fundraising platforms.
5. In order to support WFP's efforts to achieve zero hunger, the CCI contributes to implementation of the WFP strategic plan for 2017–2021, specifically Strategic Result 7 and Strategic Result 8, which address the need for diversified resourcing and partnerships for the sharing of knowledge, expertise and technology.
6. In addition, the CCI is fully embedded in corporate priority 2 – funding and partnerships for zero hunger.

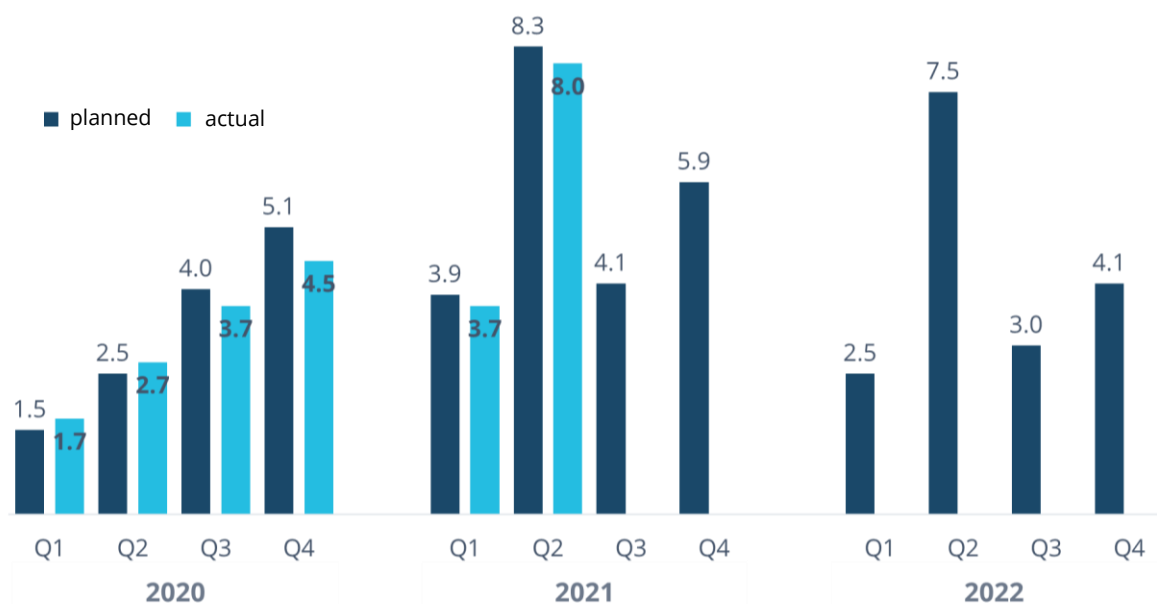
<sup>1</sup> WFP/EB.A/2021/6-F/1.

<b>TABLE A.VII.2: PRIVATE SECTOR PARTNERSHIPS AND FUNDRAISING STRATEGY – ESTIMATED QUARTERLY DISBURSEMENTS AND BUDGET BY OBJECT OF EXPENDITURE, 2022</b>			
<b>Quarter</b>	<b>USD</b>	<b>Expenditure</b>	<b>USD</b>
Quarter 1	2.5	Staff costs	0
Quarter 2	7.5	Positions (full-time equivalent)	0
Quarter 3	3	Non-staff costs	17.1
Quarter 4	4.1	<b>Total costs</b>	<b>17.1</b>
<b>Total proposed budget</b>	<b>17.1</b>		

## Implementation plan

7. The CCI is focused entirely on pillar 2 of the private sector strategy – income; the quarterly distribution of funding is tentative and likely to be updated at the end of 2021.
8. The CCI is used for media expenses and related costs (external consultancies) for the fundraising programme from individuals led by the wfp.org fundraising and ShareTheMeal (STM) teams and external fundraising organizations in the United States of America (WFP USA) and Japan (the Japan Association for WFP – JAWFP). No WFP staff positions are funded from the CCI.
9. At the beginning of each year, the teams leading the fundraising programme from individuals agree on the allocation of the CCI investment. In 2020 and 2021, around 80 percent of the investment was allocated to the ShareTheMeal and wfp.org fundraising teams and 20 percent to WFP USA and JAWFP. The allocation process for 2022 will be initiated towards the end of 2021.
10. The amounts allocated to external fundraising organizations are set for the year, but the internal allocation of that funding by team and by quarter is flexible and is adjusted during the year with a view to achieving the best performance or highest return on advertising spend possible, based on a quarterly review of the performance of each team.
11. Currently, a significant amount of the media investment for the wfp.org fundraising and ShareTheMeal teams is used for advertising on Facebook, Google, YouTube, Apple and Android and for smaller investments in other platforms and outlets. Due to the flexibility required for these investments, exact allocations are decided as and when appropriate.
12. In the United States, significant and successful investments were made in the digital programme run by WFP USA. In Japan, the current focus is on investment in the face-to-face fundraising programme.
13. In addition to the CCI funding and in accordance with the funding plan presented in the approved private sector strategy, part of an advance from the Capital Budgeting Facility and retained income raised from individual supporters in 2021 will also be used for media investments in 2022. WFP envisages using approximately USD 4.9 million from the advance and about USD 14 million of the retained income for media and related investments during 2022.
14. The quarterly allocations of the critical corporate initiative investment since its inception in 2020 are summarized in figure A.VII.1. The distribution of expenditures across quarters from 2020 to 2022 is based on actual expenditure shown compared with planned expenditure.

**Figure A.VII.1: Private sector partnerships and fundraising strategy critical corporate initiative distribution of planned versus actual expenditure, 2020–2022**



### Results achieved to-date

15. By the end of 2020, the ShareTheMeal and wfp.org fundraising teams had spent a total of USD 10.2 million from earlier tranches of the CCI, generating income of USD 18.8 million directly from that spending (“paid acquisition” income), of which USD 17.8 million was the net income raised in the year of the investment. Compared with sector standards, it is unusual to exceed the break-even point on investments of this type in the first year; rather, the investment is usually accrued over the following three to five years. The result is therefore indicative of the success of WFP’s overall approach. In total, income raised from individuals increased from USD 12 million in 2019 to USD 35 million in 2020.
16. Together, the wfp.org fundraising and ShareTheMeal teams have exceeded their targets, recruiting 431,000 new supporters in 2020, including 56,638 regular supporters, as a direct result of the increased spending approved for the private sector partnerships and fundraising strategy. Both teams are focusing increasingly on retaining regular supporters because this type of supporter will deliver the highest long-term value and sustainable income for WFP.
17. Detailed quarterly progress reports are available on the Board website.<sup>2</sup>

<sup>2</sup> [https://executiveboard.wfp.org/document\\_download/WFP-0000124176](https://executiveboard.wfp.org/document_download/WFP-0000124176).



<b>TABLE A.VII.3: KEY PERFORMANCE INDICATORS FOR THE PRIVATE SECTOR PARTNERSHIPS AND FUNDRAISING STRATEGY, 2022</b>	
<b>Deliverable 1: Increase total individual giving income for the organization</b>	
<b>Key performance indicator</b>	<b>Target for 2022</b>
Total funding from individuals	USD 112 million
Paid acquisition income	USD 82 million
<i>This deliverable measures the progress of the programme by tracking total income raised from individuals in support of WFP operations, including the income raised directly from investment activities.</i>	
<b>Deliverable 2: Ensure a high return on investment</b>	
<b>Key performance indicator</b>	<b>Target for 2022</b>
Average 12-month return on advertising spend	1.7:1
<i>This deliverable measures the 12-month return on investment in terms of the ratio between income from paid activities and media expenditure. It has the aim of ensuring that WFP is receiving sufficient value from the funds invested.</i>	
<b>Deliverable 3: Recruit high-value supporters, including regular supporters</b>	
<b>Key performance indicator</b>	<b>Target for 2022</b>
Average donation, regular giving and single gift	Single gift: USD 50 Regular, monthly giving: USD 16
% donor retention for the year, regular giving and single gift	Single gift: 15% Regular giving: 70%
Blended acquisition cost, regular giving and single gift	USD 46
<i>This deliverable measures the success of the investment by tracking the value of single and regular donors through three KPIs. It is important to know that single component deliverables can vary but the overall deliverable will still be achieved or even outperformed; for example, a high acquisition cost can be offset through higher average donations or higher donor retention rates, etc.</i>	

### Multi-year initiative on investing in WFP people (USD 25.3 million in first year)

<b>TABLE A.VII.4: OVERVIEW OF INVESTING IN WFP PEOPLE CRITICAL CORPORATE INITIATIVE</b>			
<b>Organizational unit(s)</b>	Workplace Culture Department, all regional bureaux and participating country offices and divisions	<b>Total proposed budget in 2022</b>	<b>USD 25.3 million</b>
<b>Corporate priorities to be addressed</b>	People management	<b>CCI lifespan (single or multi-year)</b>	Multi-year (2022–2024)
<b>Organizational enablers</b>	<input type="checkbox"/> Partnerships <input checked="" type="checkbox"/> People <input type="checkbox"/> Funding <input type="checkbox"/> Technology <input type="checkbox"/> Evidence <input type="checkbox"/> Innovation		

18. The proposed CCI covers *the first year of investing in WFP people (USD 25.3 million)* and aims to accelerate progress towards WFP's vision of delivering excellence in people management that enables it to continue to save and change the lives of food-insecure people. The investment covers one-time activities spanning three years and will support WFP's efforts to

create the workforce required to fulfil its mandate, support employee health and wellbeing and build improved, respectful and inclusive workplaces. By strengthening organizational capacity, the CCI accelerates and provides for improved coordination of the implementation of key initiatives in 2022 in full alignment with corporate priority 6, strategic plan organizational enabler 8.2 and the management outcome on people management in the corporate results framework.

19. Table A.VII.5 shows how the CCI aligns with the broader strategic planning, policy and results-based management framework and provides prioritized outputs, deliverables and KPI targets.

<b>TABLE A.VII.5: POSITIONING OF CRITICAL CORPORATE INITIATIVE KEY PERFORMANCE INDICATORS IN RELATION TO THE CORPORATE RESULTS FRAMEWORK FOR 2022–2026 AND CORPORATE PRIORITY # 6</b>			
<b>Corporate priority</b>	<b>Corporate results framework for 2022–2026 management outcome 7 – people management</b>	<b>CCI deliverables 2022</b>	<b>Measurement</b>
<b>People management</b>	<b>Outputs</b>	<b>Deliverables</b>	<b>KPIs</b>
6A Very best people management	Nimble and flexible management of organizational structures and positions ensured	<i>Proactive management of structures and positions</i>	Number of country offices completing the workforce planning exercise Percentage of positions filled Percentage of workforce employed on short-term contract
6A Very best people management	Performing and improving workforce promoted	<i>Capability and capacity development</i>	Number of country offices reporting an improved match between the skills required and those available
6C Respectful and inclusive workplace	Diverse and inclusive people management ensured	<i>Acquisition and retention of diverse talent Development of respectful and inclusive workplaces</i>	Number and percentage of applications received from, and appointments of, people from selected diverse groups Average number of days to offer a post Number of activities completed that promulgate WFP's core values, mutual commitments and ethical standards Number of global staff survey action plans in operation

<b>TABLE A.VII.5: POSITIONING OF CRITICAL CORPORATE INITIATIVE KEY PERFORMANCE INDICATORS IN RELATION TO THE CORPORATE RESULTS FRAMEWORK FOR 2022-2026 AND CORPORATE PRIORITY # 6</b>			
<b>Corporate priority</b>	<b>Corporate results framework for 2022-2026 management outcome 7 – people management</b>	<b>CCI deliverables 2022</b>	<b>Measurement</b>
<b>People management</b>	<b>Outputs</b>	<b>Deliverables</b>	<b>KPIs</b>
6B Employee wellbeing and health	Caring and supportive work environment provided	<i>Employee safety, health and wellbeing</i>	Percentage and number of units complying with WFP security management policy and framework of accountability Number of new cases of service-incurred injury or illness

### **Detailed breakdown of the proposed deliverables**

20. A detailed breakdown of the deliverables is provided in the following paragraphs, including summaries of the deliverables, examples of activities, expected outcomes, key performance indicators, the budgets to be set at headquarters and in regional bureaux and country offices, and proposed monitoring tables.

#### **Deliverable 1: Proactive management of structures and positions**

21. Attainment of this deliverable will accelerate the implementation of initiatives and activities aimed at ensuring that organizational structures and the management of job positions are fit for purpose. Outputs feature under the people management outcome in the corporate results framework.
22. In order to apply the processes and frameworks developed by the Human Resources Division, other divisions, regional bureaux and country offices will require strengthened capacity to implement new processes and to optimize their workforces. This means that they will need more employees with more relevant skills,
23. Activities in this key area include:
- increased provision of guidance on people management to regional and country office managers and implementation of the priorities, elements and complementary commitments of the WFP people policy, staffing framework and related initiatives;
  - accelerated review of organizational structures, positions and contract modalities against identified requirements; and
  - enhanced regional emergency response and support for country office readiness efforts.
24. Expected outcomes include the development of the capacity required for timely alignment between structures and positions and operational needs and the use of appropriate contract modalities in compliance with WFP's staffing framework.

25. Proposed key performance indicators<sup>3</sup> are as follows:
- number of country offices completing the workforce planning exercise;
  - percentage of positions filled; and
  - percentage of workforce employed on short-term contracts.
26. Table A.VII.6 shows the main budget allocations for supporting attainment of this deliverable.

<b>TABLE A.VII.6: COSTS OF DELIVERABLE 1: PROACTIVE MANAGEMENT OF STRUCTURES AND POSITIONS, 2022 (USD thousand)</b>			
	<b>Headquarters</b>	<b>Regional bureaux and country offices</b>	<b>Total</b>
Staff costs	1 650	2 194	<b>3 843</b>
Non-staff costs*	2 811	462	<b>3 274</b>
<b>Total</b>	<b>4 461</b>	<b>2 656</b>	<b>7 117</b>

\* Including consultants, national staff and temporary assistance.

27. As the CCI is cross-functional and focused on capacity strengthening in the field, several designated budget holders will be responsible for initiatives and activities within the scope of each deliverable. Activity and expenditure rates will be monitored and reported at the half year and the end of the year according to the format shown in table A.VII.7. Additional activities proposed for 2023 and 2024 will be scheduled in accordance with the progress achieved.

<b>TABLE A.VII.7: DELIVERABLE 1 - MONITORING OF BUDGET UTILIZATION</b>		
	<b>USD thousand</b>	<b>Percentage of budget utilization</b>
Budget	7 062	100
Mid-year actual		
Year-end actual		

### **Deliverable 2: Acquisition and retention of diverse talent**

28. Attainment of this deliverable will accelerate implementation of initiatives and activities aimed at ensuring more effective talent acquisition. Outputs feature under the people management outcome in the corporate results framework.
29. Activities in this key area include:
- increased use of suitable talent acquisition approaches, including selection tools such as aptitude testing, and equipping managers to serve as talent acquisition champions;
  - support for the partnership function across WFP, including by ensuring that the right staff members are placed in the right roles;

<sup>3</sup> Baseline and target levels for each KPI are currently being developed.

- facilitation of talent deployment and talent acquisition, and related capability development, through the coordination of staffing decisions and actions and the enhancement of the institutional knowledge of staff in responsible functions globally.
30. Expected outcomes include more efficient and nimble planning and implementation of talent acquisition to accelerate the hiring of diverse talent.
31. The proposed key performance indicators are as follows:
- number and percentage of applications received from and appointments of people from selected diverse groups; and
  - average number of days to offer a position
32. Table A.VII.8 shows the main budget allocations for supporting the attainment of this deliverable.

<b>TABLE A.VII.8: COSTS OF DELIVERABLE 2 – ACQUISITION AND RETENTION OF DIVERSE TALENT, 2022 (USD thousand)</b>			
	<b>Headquarters</b>	<b>Regional bureaux and country offices</b>	<b>Total</b>
Staff costs	1 834	1 200	<b>3 033</b>
Non-staff costs**	609	363	<b>972</b>
<b>Total</b>	<b>2 442</b>	<b>1 563</b>	<b>4 005</b>

\* Including consultants, national staff and temporary assistance.

33. As the CCI is cross-functional and focused on capacity strengthening in the field, several designated budget holders will be responsible for initiatives and activities within the scope of each deliverable. Activity and expenditure rates will be monitored and reported at the half year and end of year according to the format shown in table A.VII.9. Additional activities proposed for 2023 and 2024 will be scheduled in accordance with the progress achieved.

<b>TABLE A.VII.9: DELIVERABLE 2 – MONITORING OF BUDGET UTILIZATION</b>		
	<b>USD thousand</b>	<b>Percentage of budget utilization</b>
Budget	3 976	100
Mid-year actual		
Year-end actual		

### **Deliverable 3: Capability and capacity development**

34. The aim of this deliverable is to accelerate development of the skills and capabilities of WFP employees to meet identified corporate standards and satisfy local needs during the first phase of the change management process.
35. Activities in this key area include:
- initiatives on cross-cutting corporate issues, such as disability and other forms of inclusion, leadership, management and language skills;
  - provision of coaching, mentoring, technical support and training for employees in country offices; and

- provision of dedicated cross-functional training for managers and other employees aimed at enhancing the resource management skills and capacity of country office staff.
36. The expected outcome is an improved match between the skills required and the skills available.
37. The proposed key performance indicator is as follows:
- number of country offices reporting an improved match between the skills required and those available.
38. Table A.VII.10 shows the main budget allocations for supporting work to achieve this deliverable.

<b>TABLE A.VII.10: COSTS OF DELIVERABLE 3 - CAPABILITY AND CAPACITY DEVELOPMENT, 2022</b> <i>(USD thousand)</i>			
	<b>Headquarters</b>	<b>Regional bureaux and country offices</b>	<b>Total</b>
Staff costs	885	3 029	<b>3 913</b>
Non-staff costs*	2 524	2 263	<b>4 787</b>
<b>Total</b>	<b>3 409</b>	<b>5 292</b>	<b>8 701</b>

\* Including consultants, national staff and temporary assistance.

39. As the CCI is cross-functional and focused on capacity strengthening in the field, several designated budget holders will be responsible for initiatives and activities within the scope of each deliverable. Activity and expenditure rates will be monitored and reported at the half year and end of year according to the format shown in table A.VII.11. Additional activities proposed for 2023 and 2024 will be scheduled in accordance with the progress achieved.

<b>TABLE A.VII.11: DELIVERABLE 3 - MONITORING OF BUDGET UTILIZATION</b>		
	<b>USD thousand</b>	<b>Percentage of budget utilization</b>
Budget	8 661	100
Mid-year actual		
Year-end actual		

#### **Deliverable 4: Development of respectful and inclusive workplaces**

40. The aim of this deliverable is to accelerate WFP's development of an enabling workplace culture, particularly in the field, through strengthening of the capacity to embed core values and support leaders, managers, supervisors and employees.
41. Activities in this key area include:
- building and promotion of an enabling workplace culture through consistent implementation of the actions stemming from the global staff survey;
  - implementation of tailored policies and improvements, including those identified through assessment against the standards set by WFP's core values and the "mutual commitments" of the WFP people policy; and

- coordination of cross-functional efforts in line with the approved disability inclusion road map for the design and implementation of accessible services, the improvement of data collection and the enhancement of diversity and inclusion at WFP.
42. Expected outcomes include sustained employee engagement and growing employee confidence in the measures adopted by management to promote career development, enhance ethical behaviour and conduct, ensure transparency and improve communication with and recognition of employees.
43. The proposed key performance indicators are as follows:
- number of activities completed that promulgate WFP's core values, mutual commitments and ethical standards; and
  - number of global staff survey action plans in operation.
44. Table A.VII.12 shows the main budget allocations for supporting attainment of this deliverable.

<b>TABLE A.VII.12: COSTS OF DELIVERABLE 4 - DEVELOPMENT OF RESPECTFUL AND INCLUSIVE WORKPLACES, 2022 (USD thousand)</b>			
	<b>Headquarters</b>	<b>Regional bureaux and country offices</b>	<b>Total</b>
Staff costs	255	83	<b>338</b>
Non-staff costs*	665	4	<b>669</b>
<b>Total</b>	<b>921</b>	<b>87</b>	<b>1 007</b>

\* Including costs of consultants, national staff and temporary assistance.

45. As the CCI is cross-functional and focused on capacity strengthening in the field, several designated budget holders will be responsible for initiatives and activities within the scope of each deliverable. Activity and expenditure rates will be monitored and reported at the half year and end of year according to the format shown in table A.VII.13. Additional activities proposed for 2023 and 2024 will be scheduled in accordance with the progress achieved.

<b>TABLE A.VII.13: DELIVERABLE 4 - MONITORING OF BUDGET UTILIZATION</b>		
	<b>USD thousand</b>	<b>Percentage of budget utilization</b>
Budget	1 013	100
Mid-year actual		
Year-end actual		

### **Deliverable 5: Employee safety, health and wellbeing**

46. Capacity strengthening will accelerate and enhance the fulfilment of WFP's duty of care for all employees.

47. Activities in this key area include:
- implementation of standards to ensure the fulfilment of WFP's duty of care for all employees;
  - development and implementation of interventions aimed at improving people management, enhancing resilience and addressing stress and anxiety; and
  - conduct of related oversight missions and promotion of accountability.
48. The expected outcomes include improvements in the people management skills of supervisors, increased compliance with and commitment to WFP's security management policy and enhanced management of occupational safety and health risks.
49. The proposed key performance indicators are as follows:
- percentage of units complying with WFP's security management policy and framework of accountability; and
  - number of new cases of service-incurred injury or illness.
50. Table A.VII.14 shows the main budget allocations for supporting attainment of this deliverable.

<b>TABLE A.VII.14: COSTS OF DELIVERABLE 5 – EMPLOYEE SAFETY, HEALTH AND WELLBEING, 2022</b> <i>(USD thousand)</i>			
	<b>Headquarters</b>	<b>Regional bureaux and country offices</b>	<b>Total</b>
Staff costs	232	3 227	<b>3 458</b>
Non-staff costs*	126	863	<b>989</b>
<b>Total</b>	<b>358</b>	<b>4 089</b>	<b>4 447</b>

\* Including costs of consultants, national staff and temporary assistance.

51. As the CCI is cross-functional in nature and focused on capacity strengthening in the field, several designated budget holders will be responsible for initiatives and activities within the scope of each deliverable. Activity and expenditure rates will be monitored and reported at the half year and end of year according to the format shown in table A.VII.15. Additional activities proposed for 2023 and 2024 will be scheduled in accordance with the progress achieved.

<b>TABLE A.VII.15: DELIVERABLE 5 – MONITORING OF BUDGET UTILIZATION</b>		
	<b>USD thousand</b>	<b>Percentage of budget utilization</b>
Budget	4 423	100
Mid-year actual		
Year-end actual		



## Acronyms

BUSBE	bottom-up strategic budgeting exercise
CBF	Capital Budgeting Facility
CBT	cash-based transfer
CCI	critical corporate initiative
CRF	corporate results framework
CSP	country strategic plan
EDMF	Emerging Donor Matching Fund
FAO	Food and Agriculture Organization of the United Nations
FTE	full-time equivalent
GCF	Green Climate Fund
GCMF	Global Commodity Management Facility
IFAD	International Fund for Agricultural Development
IFI	international financial institution
IMF	International Monetary Fund
IRA	Immediate Response Account
IRM	Integrated Road Map
ISC	indirect support costs
IT	information technology
JAWFP	Japan Association for WFP
KPI	key performance indicator
OIG	Office of the Inspector General
PSA	Programme Support and Administrative (budget)
PSAEA	PSA equalization account
ROAS	return on advertising spend
SDG	Sustainable Development Goal
STM	ShareTheMeal
UNDSS	United Nations Department of Safety and Security
UNHAS	United Nations Humanitarian Air Service
UNHRD	United Nations Humanitarian Response Depot
UNICEF	United Nations Children's Fund
WHO	World Health Organization