



# Annual Performance Report 2021

## Executive Board – Informal Consultation

23 May 2022



World Food Programme

SAVING  
LIVES  
CHANGING  
LIVES

# 1. INTRODUCTION



World Food Programme

# Structure of the Report

01



## Introduction

- ▶ Global context
- ▶ United Nations development system reform

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## Programme Performance

- ▶ WFP reach
- ▶ Progress against Strategic Plan
- ▶ L3/L2 responses
- ▶ Cross-cutting results
- ▶ Performance by strategic objective and programme area

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## Management Performance

- ▶ KPIs: performance management
- ▶ Performance by pillar
- ▶ Senior management priorities
- ▶ Critical corporate initiatives
- ▶ Efficiency gains
- ▶ Cost per beneficiary

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## Financial resources and funding

- ▶ Overview of financial position
- ▶ Expenditures and growth since the Strategic Plan

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## Conclusion

- ▶ Ongoing challenges in 2022
- ▶ Strategic Plan 2022-2025

# The state of the world in 2021

WFP continued to operate in a context of increasing needs and a more challenging environment

## Rising hunger

**283M** people in **80** countries

were acutely food insecure or at high risk

**45M** people in **43** countries

were in emergency or worse levels of acute food insecurity (IPC 4+)



COVID-19

## In a complex environment

**47M** girls and women

were pushed into **extreme poverty** by the social and economic impacts of the pandemic



CONFLICT

**84M** people

were forcibly displaced by conflict



CLIMATE SHOCKS

**>4/10** people

in the world live in contexts highly vulnerable to climate change (WMO)



RISING COSTS

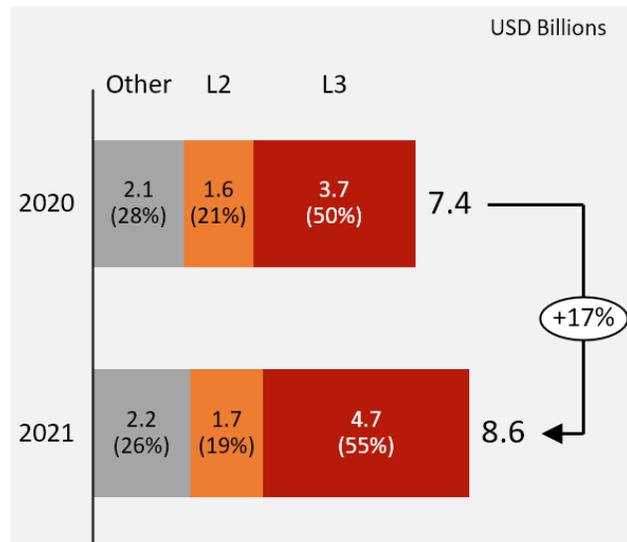
**23%**

increase in global food prices since 2020 (highest level of increase in a decade)

# Finance and Funding - Expenditures

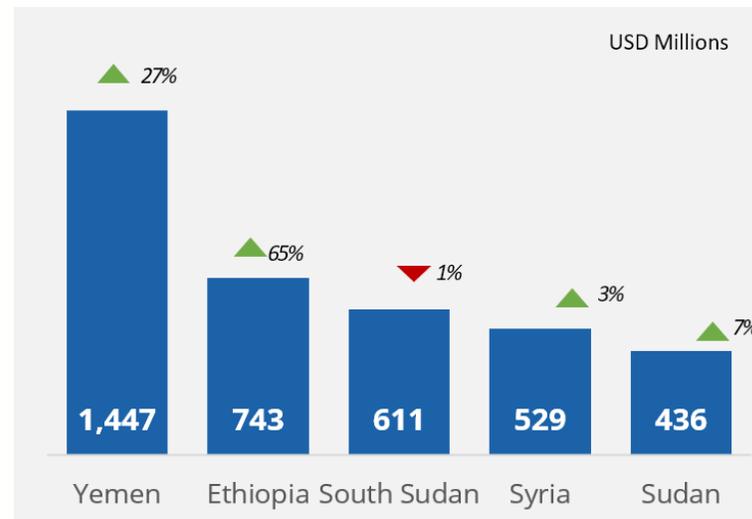
Expenditures were concentrated in L2 and L3 emergencies to respond to the most critical humanitarian needs

## Contributions vs expenses



8 of the 10 countries with the highest expenditures were L3 or L2

## Top 5 direct expenditures by country

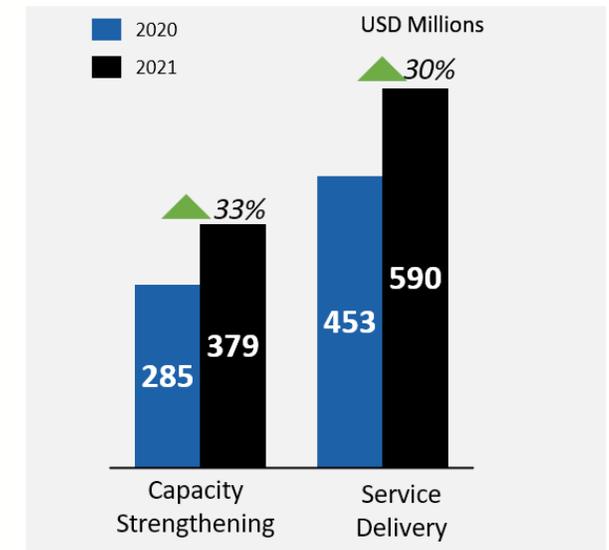


Total direct expenditures\* were USD 8.6 billion, an increase of 17% from 2020

Expenditures in Afghanistan increased by 126%, and Yemen remained WFP's largest operation for the fifth consecutive year

\* excluding indirect support costs

## Capacity strengthening vs service delivery



Capacity strengthening increased primarily in Sudan and Zimbabwe

Increased service delivery driven by wheat procurement on behalf of Ethiopian government

## 2. PROGRAMME PERFORMANCE



# WFP reach in 2021

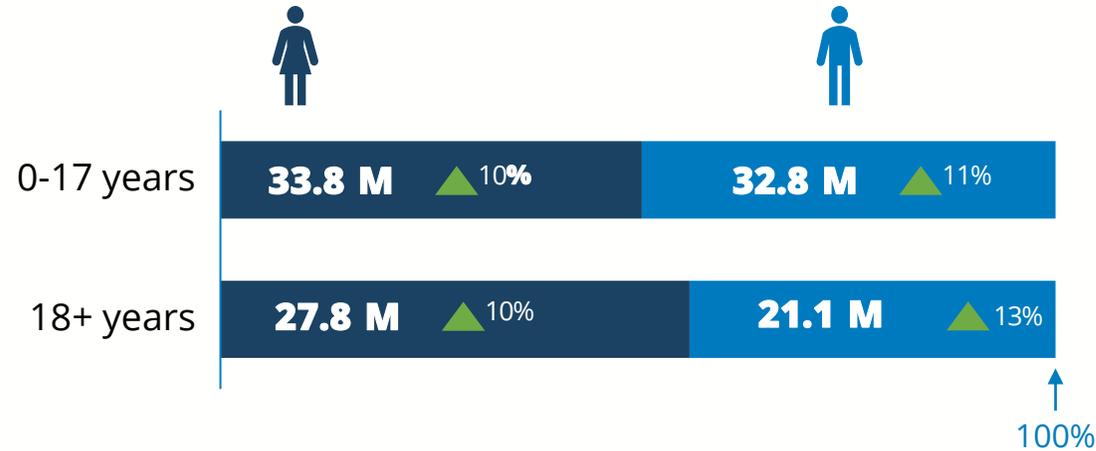
Annual growth in food distributions and cash transfers did not keep pace with growing needs and another record year in beneficiaries assisted

**128.3M** ▲ 11%  
people reached through  
WFP programmes

**4.4M mt** ▲ 4%  
of in-kind food distributed

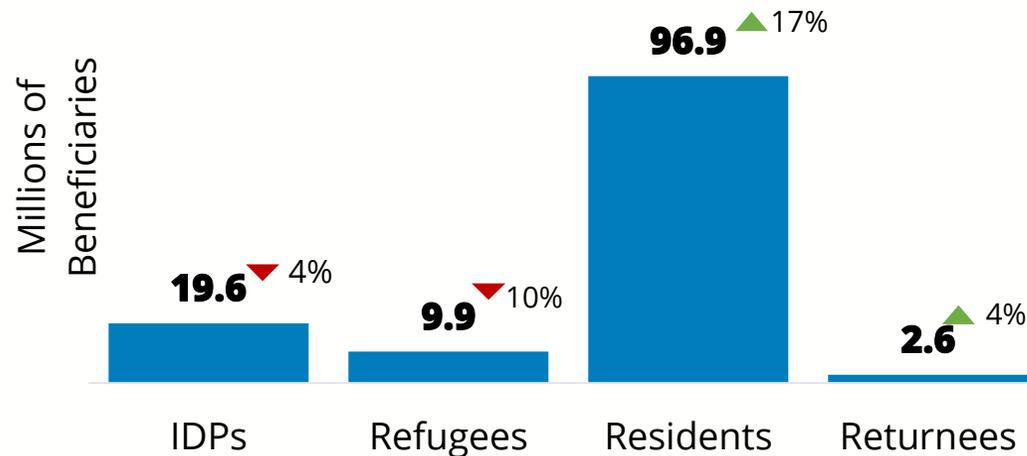
**USD 2.3B mt** ▲ 10%  
in cash-based transfers and  
commodity vouchers

## By age and sex



Children were the primary recipients of WFP's assistance

## By residence status



Large increase in residents assisted was mainly due to the pronounced rise in needs in Afghanistan and Ethiopia

# Cost per beneficiary

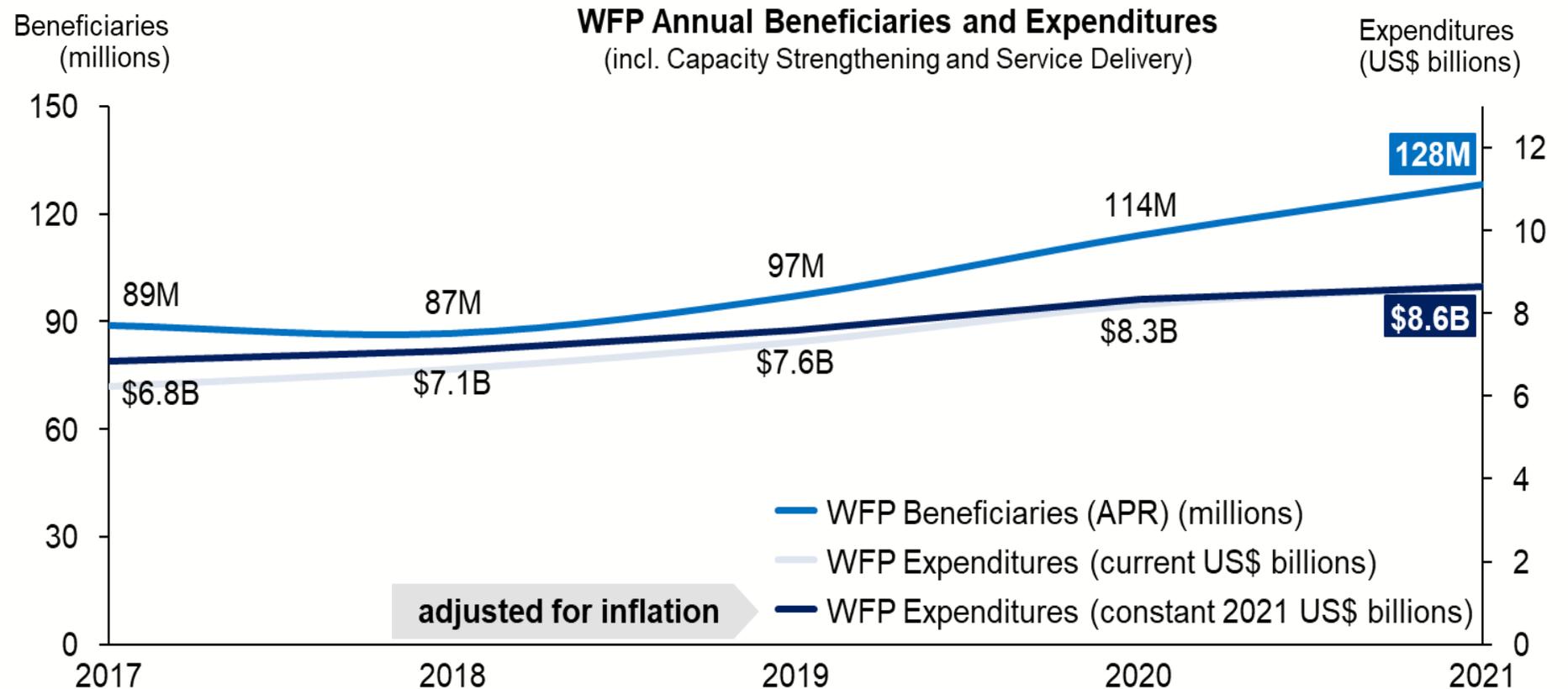
With the added challenges of food and fuel price inflation affecting limited resources, WFP had to prioritize assistance by reducing the size of rations or the duration of assistance in many operations

## 2022

Daily Average  
USD 0.38

Average per  
beneficiary per year  
USD 53

The average daily cost per direct beneficiary was slightly lower than in 2020, which means that beneficiaries were liable to receive less.



# Achievements against outcomes

Strong progress was made in improving nutrition but rising costs, conflict and climate shocks continued to adversely impact food security

STRATEGIC OBJECTIVE		SHARE OF EXPENDITURES	OUTCOME INDICATORS			
			Total indicators	Strong progress	Moderate progress	Weak progress
1	END HUNGER BY PROTECTING ACCESS TO FOOD	 78%	39	12	25	2
2	IMPROVE NUTRITION	 5%	27	17	9	1
3	ACHIEVE FOOD SECURITY	 5%	25	4	17	4
4	SUPPORT SDG IMPLEMENTATION	 1%	12	4	7	1
5	PARTNER FOR SDG RESULTS	 11%	6	3	2	1

## Most-commonly applied indicators reveal important challenges

Results for **SO 1, 4 and 5** remained mostly unvaried compared with 2020 with the most frequently used food security related indicators showing moderate progress.

**SO 2** saw an improvement in the results of the most widely used nutrition -related indicators. The consumption of nutritious foods by targeted beneficiaries improved when they were reached by WFP programmes

**SO 3** overall performance slightly deteriorated year over year. The effect of the pandemic and of the 4 Cs led a large proportion of assisted households to adopt long-term negative coping strategies.

# Key results by programme area

Unstable contexts and rising needs required increased unconditional assistance. While school closures during the pandemic ended the decade of growth for school feeding, WFP continued to adapt its delivery mechanisms for prompt and adequate nutrition assistance.

**91M** ▲ 10%

beneficiaries reached through **unconditional resource transfers**

Increase in beneficiaries reflected the surge of newly food insecure people due to COVID-19, climate change, conflict, and food and fuel cost increases

**17.2M** ▼ 1%

beneficiaries reached through **school-based** programmes

Challenges related to the pandemic, security, funding and access persisted. WFP helped launch the global School Meals Coalition.

**23.5M** ▲ 36%

beneficiaries reached through **nutrition** programmes

WFP increased provision of adequate levels of key micronutrients to beneficiaries, distributing over 1.47 million mt of fortified foods



# Key results by programme area

More people benefitted from resilience programmes and efforts to tackle hunger at its source to complement and, over time, are expected to reduce the need for humanitarian response

**8.7M**

reached through **asset creation and livelihood** activities

**190K ha**

of land were rehabilitated

**3.0K ha**

of forest were planted

**3.0K km**

of roads and trails were repaired or built



**405K**

reached through **smallholders** and **agricultural** market assistance

**6,000** smallholder farmers aggregation systems supported, such as farmers organizations and satellite collection centres in 32 countries



**2M**

reached through **climate risk insurance** or anticipatory actions

**12.2M** people benefitted from climate risk management solutions including climate risk insurance, early warning, risk information and sustainable energy services



# Cross cutting results

Progress was recorded in all cross-cutting areas but challenges remain in informing beneficiaries on WFP's assistance, integrating gender into all CSP activities, and on implementing environmental management systems

## PROTECTION AND ACCOUNTABILITY TO AFFECTED POPULATIONS

- **96%** of relevant country offices reported on the functionality of CFMs, up from 83% in 2020
- **63%** met the targets of having a functional CFM nearly reaching the 65% target and up from 53% in 2020
- Only **54%** relevant country offices improved in adequately informing beneficiaries about WFP's assistance, reflecting challenges in informing on programme duration



## GENDER

- **85%** of CSP activities systematically integrated gender or gender and age considerations, but more needs to be done to integrate gender in institutional capacity strengthening activities
- **Iraq, Mauritania, the State of Palestine and Tajikistan** completed WFP's transformation programme
- WFP updated the **gender policy**, which was approved by the EB



## ENVIRONMENTAL AND SOCIAL STANDARDS

- **26** country offices reported screening CSP activities for environmental and social risks, up from 13 in 2020
- **28** country offices were trained on the ESS framework
- Environmental management systems implemented in **15** countries where WFP was physically present, falling short of the target at 30



# Support to the humanitarian community

In addition to its programmatic work, WFP continued to provide key services for the wider community

Through the **UNHAS**, the **UNHRD** network, 3 WFP-led or co-led **clusters** (logistics, food security, and emergency telecommunications) and through **on-demand** service provision



**325K**

Humanitarian, development and diplomatic **passengers** were transported by UNHAS



**41K**

m3 of relief items **dispatched** by UNHRD through 6 hubs



**1,170**

**Partners supported** through all WFP supply chain services

# Advancing UNDS Reform

Has remained a key priority for WFP to strengthen our programmatic offer

- ▶ **84 country offices** developed a business operations strategy (**BOS**) outlining their contributions to achieving cost-efficiencies as a system
- ▶ Central elements of the **QCPR** were mainstreamed in the new CRF 2022-2025
- ▶ Contributions to the **MAF, IASC, and Grand Bargain**

# Q&A



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# 3. MANAGEMENT PERFORMANCE



# Key Performance Indicators

WFP showed strong results in emergency preparedness and response but limited resources and greater needs are impacting WFP's ability to meet outcomes and outputs targets.

## KPI 1: CSP Achievement

**58%**

Outcomes

Achieved / On-Track

**63%**

Outputs

Achieved / On-Track

Moderate performance in outcomes and outputs reflect the trade-offs country offices make by reaching more people with less assistance, which in turn is reflected in the results performance.

## KPI 2: Emergency Preparedness and Response

**100%**

Training areas met target number of trainings in emergency response

**95%**

Learning objectives were met across emergency response trainings

**97%**

Corporate Alert System countries benefitted from advance financing

Strong performance confirmed WFP preparedness to respond to crises

## KPI 3: Management Performance Standards

### Functional areas that showed strong progress against targets

- Resource mobilization
- Security
- Budget and programming
- Finance
- Administration

### Functional areas that showed moderate progress against targets

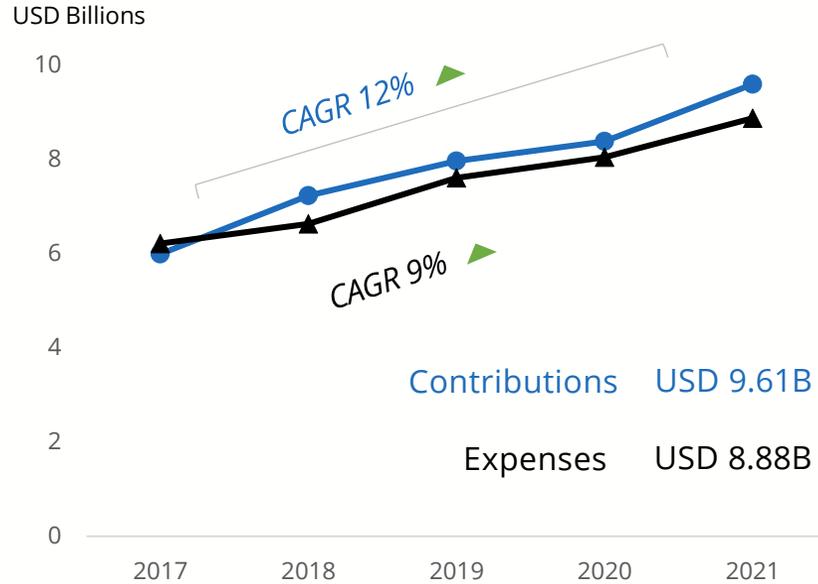
- Management
- Programme
- Supply chain
- Human resources
- Information Technology

- ▶ Under **resource mobilization**, WFP showed proper resource allocation against available contributions
- ▶ Under **budget and programming**, country offices showed appropriate level of expenditures compared to the budget and funds available
- ▶ Under **programme**, the % of evaluation recommendations implemented fell below target
- ▶ Under **management**, the number of outstanding audit recommendations and the % of overdue internal audit recommendations were below targets

# Finance and Funding - Contributions

Reflecting strong resource mobilization efforts, increased contributions were received from more funding sources

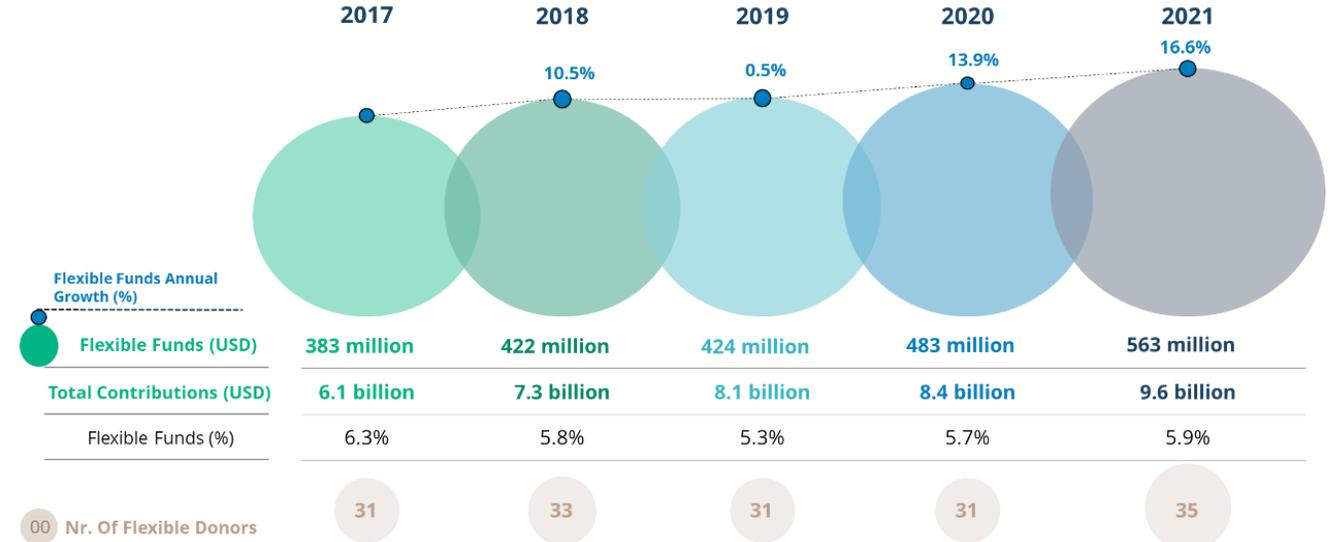
## Contributions vs expenses



Record contributions of USD 9.6 billion (12% average annual growth since 2017)

WFP's top ten donors accounted for 79% of total contributions

## Flexible Funding



Flexible funds represented 5.9%, or USD 563 million, of total 2021 contributions compared to 6.3%, or USD 383 million, of total in 2017

Number of flexible donors have grown slightly to 35 in 2021 from 31 in 2017

# Management Performance Pillars

Management performance supports programme performance

## PILLAR A STRATEGY AND DIRECTION

- New **Strategic Plan** defines the organization's priorities and outcomes for the next four years
- Following a successful pilot in 2020 with the finance division – a **strategic workforce plan**, five functional plans, and 2 country pilots were developed in 2021.

## PILLAR B BUSINESS SERVICES TO OPERATIONS

- More than 200 staff members were deployed to 41 countries as part of WFP's **rapid response capacity**
- WFP designed and constructed **critical logistical and project infrastructure** in 45 countries

## PILLAR C POLICY, GUIDANCE AND QUALITY ASSURANCE

- Approval of the revised **Anti-Fraud and Anti-Corruption** policy.
- WFP's **assurance exercise** was further streamlined, resulting in 99% of the surveys being completed by the deadline.
- Six fraud **risk assessments** were undertaken, covering 1 HQ function and 5 country offices

## PILLAR D ADVOCACY, PARTNERSHIPS, FUNDRAISING AND UN COORDINATION

- WFP contributed to **system-wide** initiatives and global policy dialogues on climate change, United Nations Food Systems Summit, and COVID-19 response
- Strong progress was made in fostering global technical partnerships with the **private sector** and mobilizing funding.

## PILLAR E GOVERNANCE AND INDEPENDENT OVERSIGHT

- WFP closed a record number of external **oversight recommendations**, achieving a closure rate of 95% for new reports issued by the JIU, and 55% for external audits.
- Thirteen centrally managed **evaluations** were completed in 2021

# WFP technology and programme delivery

Technology continued to play a key role in ensuring that WFP was able to operate faster and more effectively.



**Real-time food security monitoring** tools were implemented in 36 countries on food security indicators, gender and nutrition, with results visualized daily.



**SCOPE** rolled-out in 55 countries covering 23.8 million beneficiaries and enhanced with additional features to better meet field requirements.



WFP is blending the expertise between technology services in emergency preparedness and response **to operationalize the use of UAS in field** to conduct large scale assessments in different areas, such as disaster damages, crop monitoring, search and rescue.



**Building Blocks** is currently assisting 1 million Syrian and Rohingya refugees in Jordan and Bangladesh. In 2021, it processed USD 164 million of cash-based transfers through nearly 6 million transactions saving USD 0.6 million in cost efficiencies in bank fees.



In 2021, WFP launched a **cloud-based system** for processing satellite data on climate hazards in support of early warning and seasonal monitoring activities.



50 countries **use the Market Functionality Index in market analyses**. Users are able to manage, process and visualize market results within 24 hours. WFP's price database of local market prices for food and other goods was implemented in 75 countries.



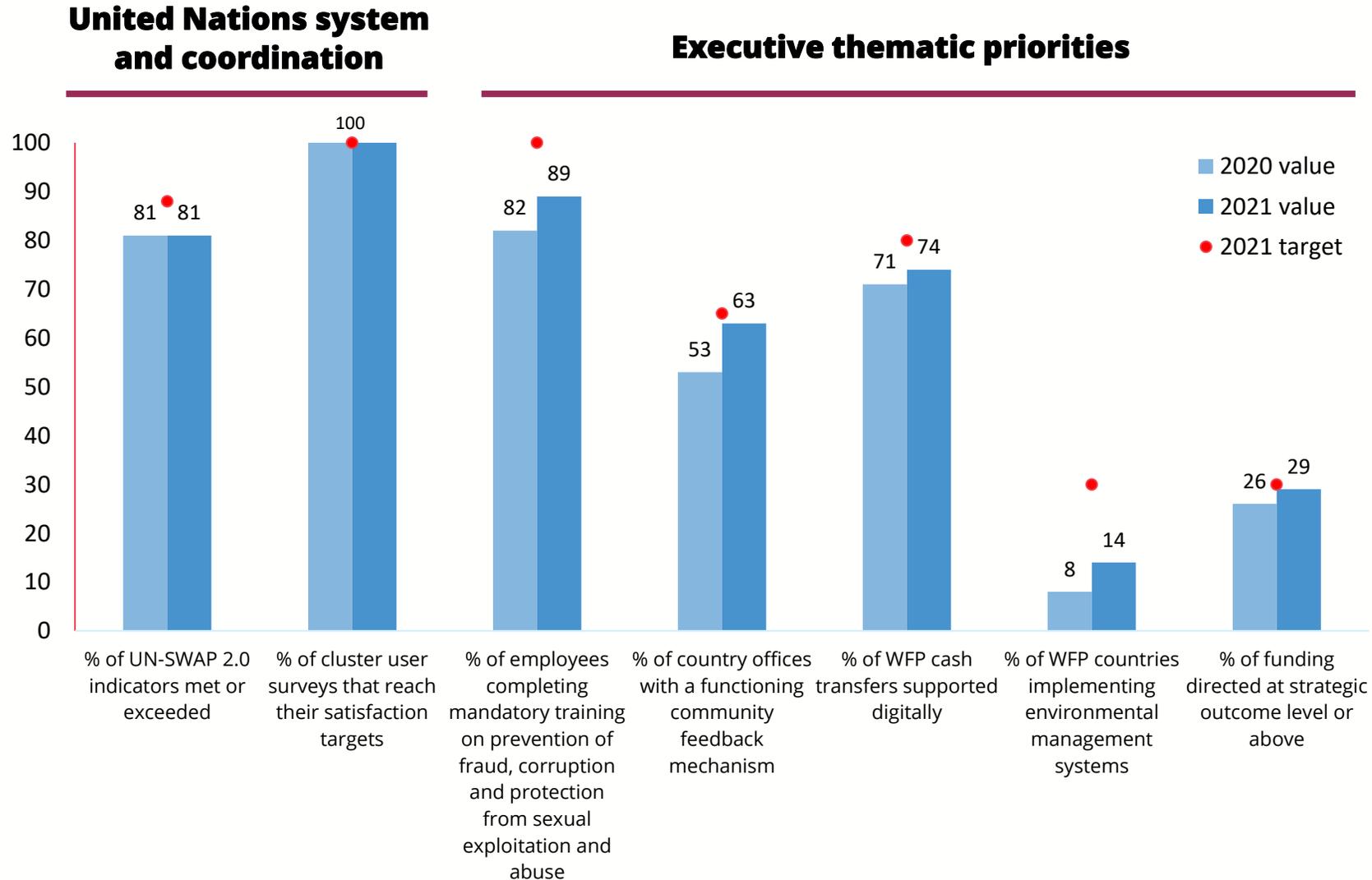
Innovation Accelerator supported **51 innovation projects** in 2021. The projects improved the lives of 8.6 million people in 69 countries.



**DOTS** is a global data platform used by WFP to enable country offices to reinforce their analysis, collaboration and ultimately, enable better decisions. In 2021, it added 68 new sources of data drawing from 9 corporate systems.

# Category II indicators

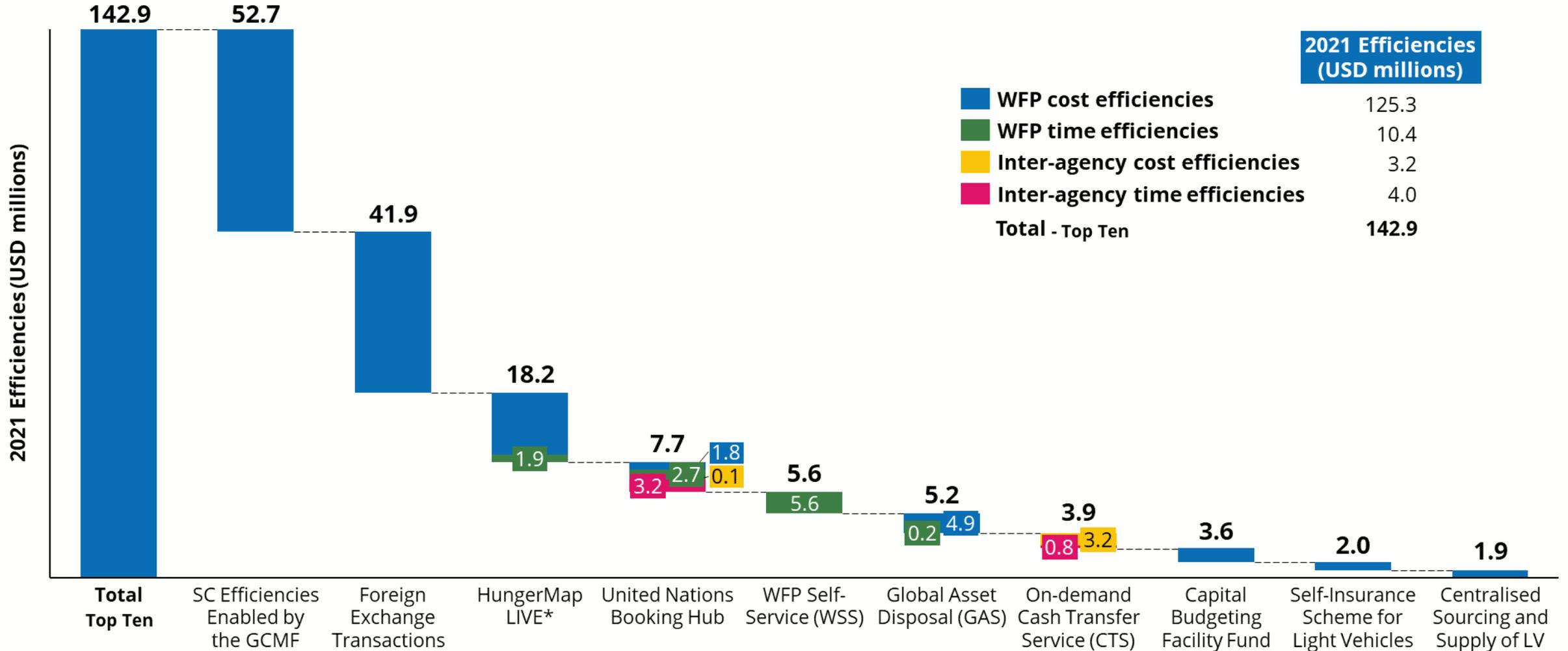
Overall satisfaction in the services provided by the 3 clusters led or co-led by WFP but additional efforts are needed in most executive thematic priorities



- ▶ While there was improvement in completing mandatory training on prevention of fraud, corruption and PSEA, these were not enough to achieve the 100% target. Retraining (and not first-time training) drove the completion rate down
- ▶ Increase in percentage of COs with a functioning Community Feedback mechanism nearly reached the target
- ▶ Scale-up of the implementation of environmental management systems to target levels continued to be hampered by the ongoing COVID-19 pandemic in 2021, falling substantially behind targets

# Efficiency gains

Reflecting a top priority, efforts to achieve efficiency gains translated in the top 10 initiatives generating **USD 143 million** in cost and time efficiencies, representing 87% of the total in 2021

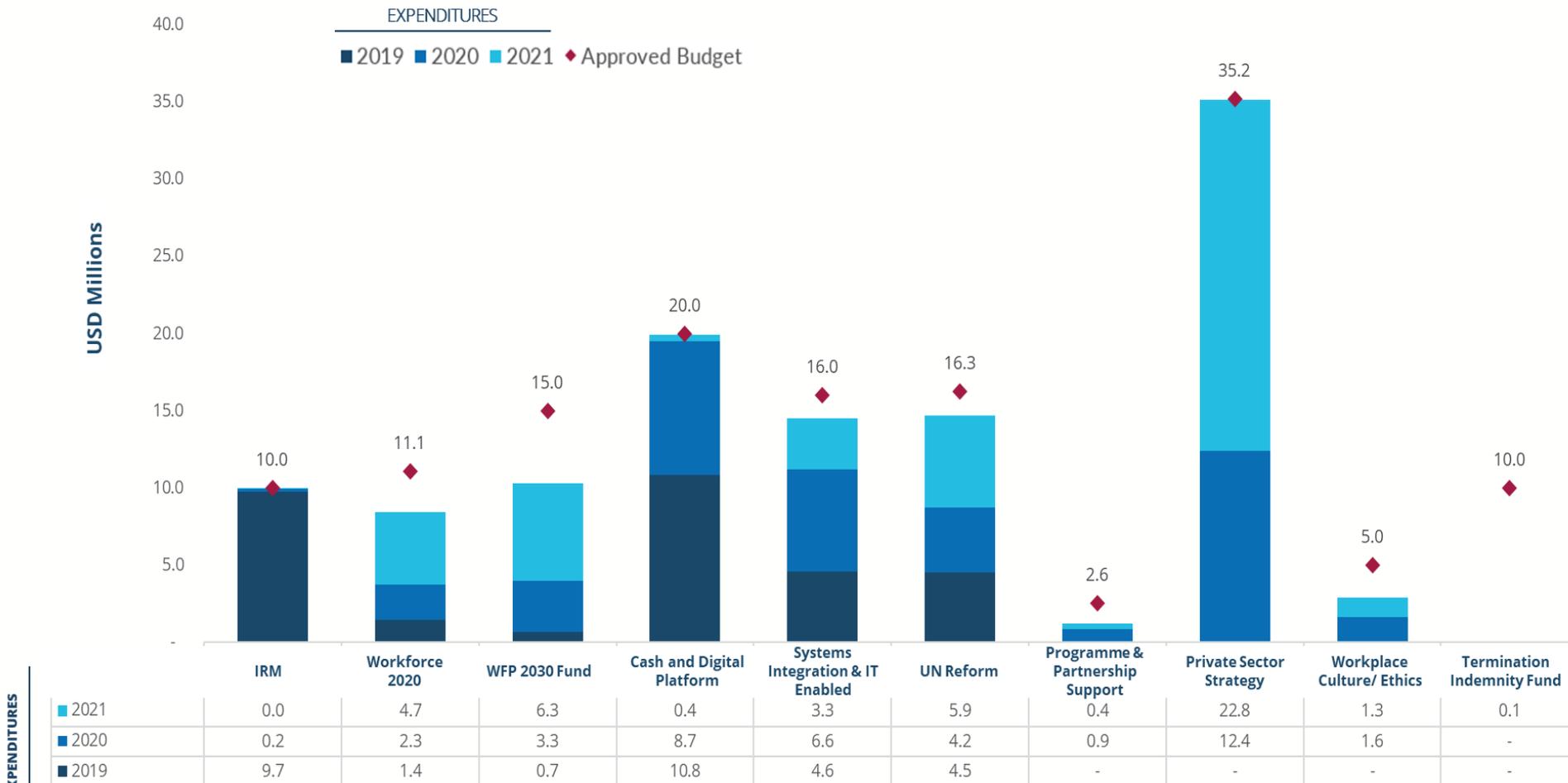




# Critical corporate initiatives

Three CCIs have fully utilized the approved budget (IRM, Cash & Digital Platform, Private Sector Strategy); on-going activities for remaining CCIs to advance in 2022

## Expenditures compared to approved budgets, 2019-2021



- ▶ **Cash & Digital Platform** achieved 74% of cash transfers supported digitally in addition to strengthened safeguards and enhanced delivery mechanisms
- ▶ **Private Sector Strategy** doubled income since 2019 to USD 205 million in 2021 with increased retention
- ▶ **Termination Indemnity Fund** supported 2 COs (Malawi & Uganda) with organizational realignment. *Fund usage is multi-year and dependent on CO requests.*

# Conclusion

Ongoing challenges are making the operating environment harder and significant challenges remain.

## COMPLEX OPERATING ENVIRONMENT

2021 was even worse for people than at the height of the COVID-19 pandemic in 2020 (operating context) but we still delivered.



## FUNDING GAP

The funding gap in countries such as Yemen, Syria, Burkina Faso, Nigeria and other countries continues to widen while needs heighten with rising costs



## IMPACTS OF THE UKRAINE CRISIS

The Ukraine crisis has taken hold and the ripple effect of the conflict is evident in the rising costs of food and fuel, in a global context of increasing needs. Food costs have been on the rise since mid-2020 with FAO's Food Price Index reaching new all-time highs in February 2022 and again in March 2022



## IMMEDIATE ACTION

WFP needs to urgently shift gears and move into an all-organization emergency and prioritized action mode to prevent millions of people dying of hunger and to help stabilize (and where possible build) resilient national food systems and related supply chains.



# Q&A

# Thank you



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