



**Chief Financial Officer Division (CFO)**

# **WFP Management Plan (2026-2028)**

1<sup>st</sup> Informal Consultation

23 July 2025



**World Food Programme**

SAVING  
LIVES  
CHANGING  
LIVES



## Objective of the 1<sup>st</sup> Informal Consultation

- Update on **Programmatic Figures** (Operational Requirements & Implementation Plan)
- Update of budget **assumptions** and **priorities**
- Preliminary figures for the **PSA**
- Use of **reserves** and **fund** balances

## Structure of the presentation

- Introduction: External and internal context
- Funding context
- Programmatic Context: Operational Requirements & Provisional Implementation Plan
- Q&A
- Programme Support & Business Operations
  - PSA
  - PSAEA and General Fund: Strategic Investments
- Section V – changes to the Financial Regulations
- Next steps and Q&A

# Management Plan 2026 Proposed Decisions



## For EB approval

- Level of the **Programme Support and Administrative** Budget
- **Use of Reserves and General Fund**
  - ✓ PSA Equalization Account
  - ✓ Unearmarked portion of the General Fund
- **Proposed changes to the Financial Regulations**



## For noting

- External and internal context
- Funding forecasts
- Programmatic context: (Projected Operational Requirements and Provisional Implementation Plan)

# INTRODUCTION





# Global Context

## Food insecurity

**Acute food insecurity** is at alarmingly high levels, affecting 319 million people

One in eleven people around the world face **chronic hunger**

Despite some progress, **malnutrition** remains widespread

## Drivers of hunger

**Conflict** will remain a key driver, identified within the top 3 most severe global risks for 2026-2027

**Weather extremes** are increasingly frequent, also in the top 3 most severe global risks for 2026-2027

**Economic risks** remain high, with weak growth, policy uncertainty and debt burdens weighing on the outlook

**Displacement** is on an upward trajectory – with 123 million people forcibly displaced

## International assistance

**ODA** is expected to fall between 9-17% in 2025 and remains uncertain beyond

**Humanitarian food sector funding** could drop by 45% in 2025

Countries agreed to triple annual **climate finance** for developing nations by 2035

# Key Internal Factors

## New SP and CRF

Strategic Plan 2026-2029 and new **Corporate Results Framework** take effect

## Funding

Stretched resources will require WFP to do “**better with less**” and **focus** on greatest needs

## Partnerships

WFP and partners must **maximize collective impact** and cut duplication

## Change management

Global HQ model with emphasis on **field-facing support**

## Assurances

**Strengthened measures to be mainstreamed** to all WFP operations and activities

## Localization

Greater importance to be placed on **rooting assistance in the communities that WFP serves**

## Innovation

Greater need for tech and innovative solutions that **enhance operational efficiency and effectiveness**

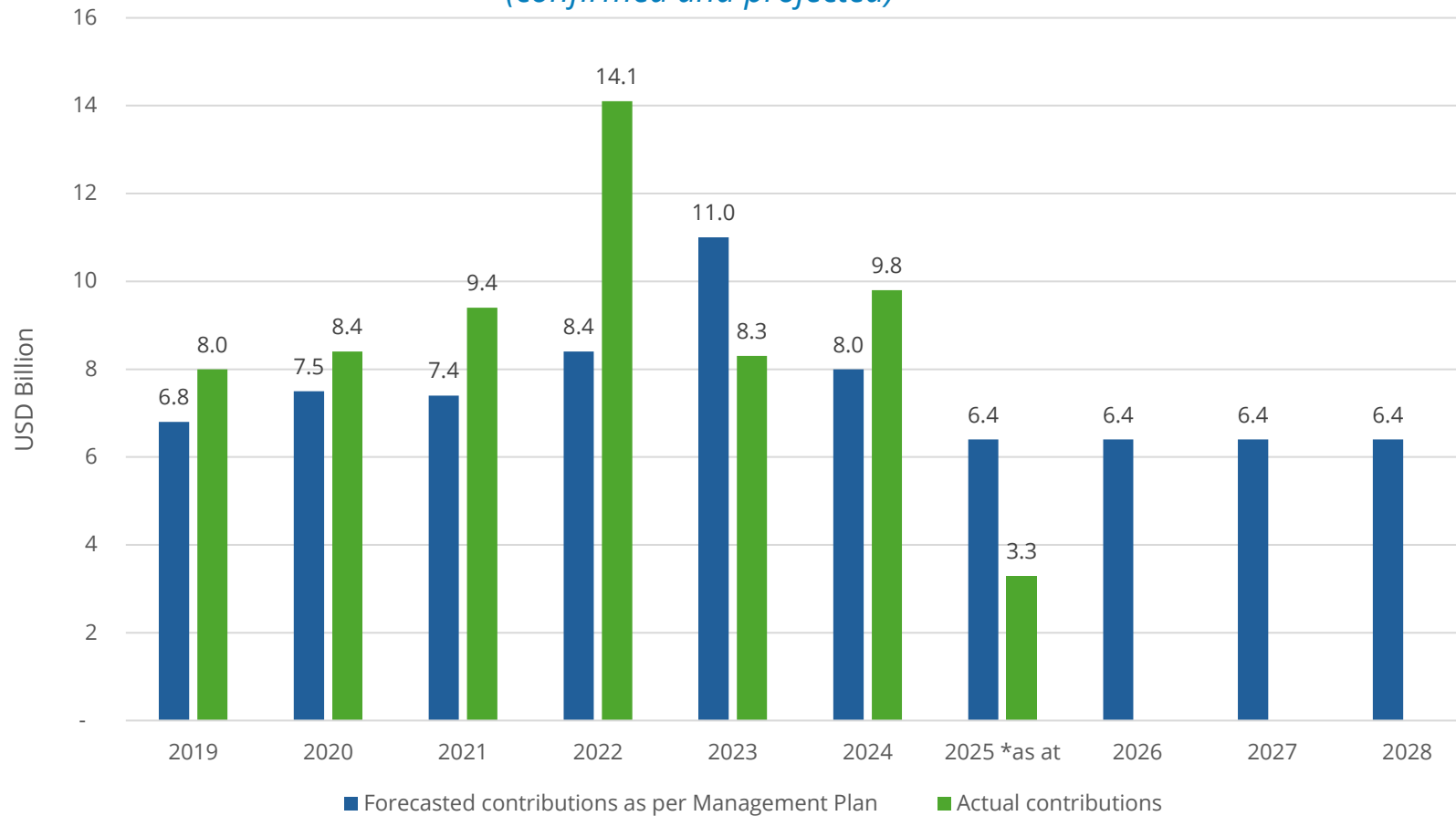


# FUNDING CONTEXT



# WFP Forecast Underpinned by Global ODA Trends

Evolution of donor contributions to WFP, 2019–2028  
(confirmed and projected)



- WFP's funding forecast is underpinned by **declining levels of ODA globally** with biggest impact on Africa and LDCs.
- **WFP will maintain the annual funding forecast at USD 6.4B through 2028**, reflecting continued donor support.
- **2022 was an exceptional year**; WFP is recalibrating forecasts and operational reach to align with long-term financial realities.



# Protecting, Growing, and Diversifying Partnerships

*Supported by the Resource Mobilization Strategy (RMS)*

- **Protecting and reinforcing collaboration with longstanding partners**
- **Intensified financing partnerships with national governments and IFIs**
- **Expand innovative financing models**
- **Grow private sector**
- **Optimization of UN Partnerships and pooled financing**

## **ADVOCACY**

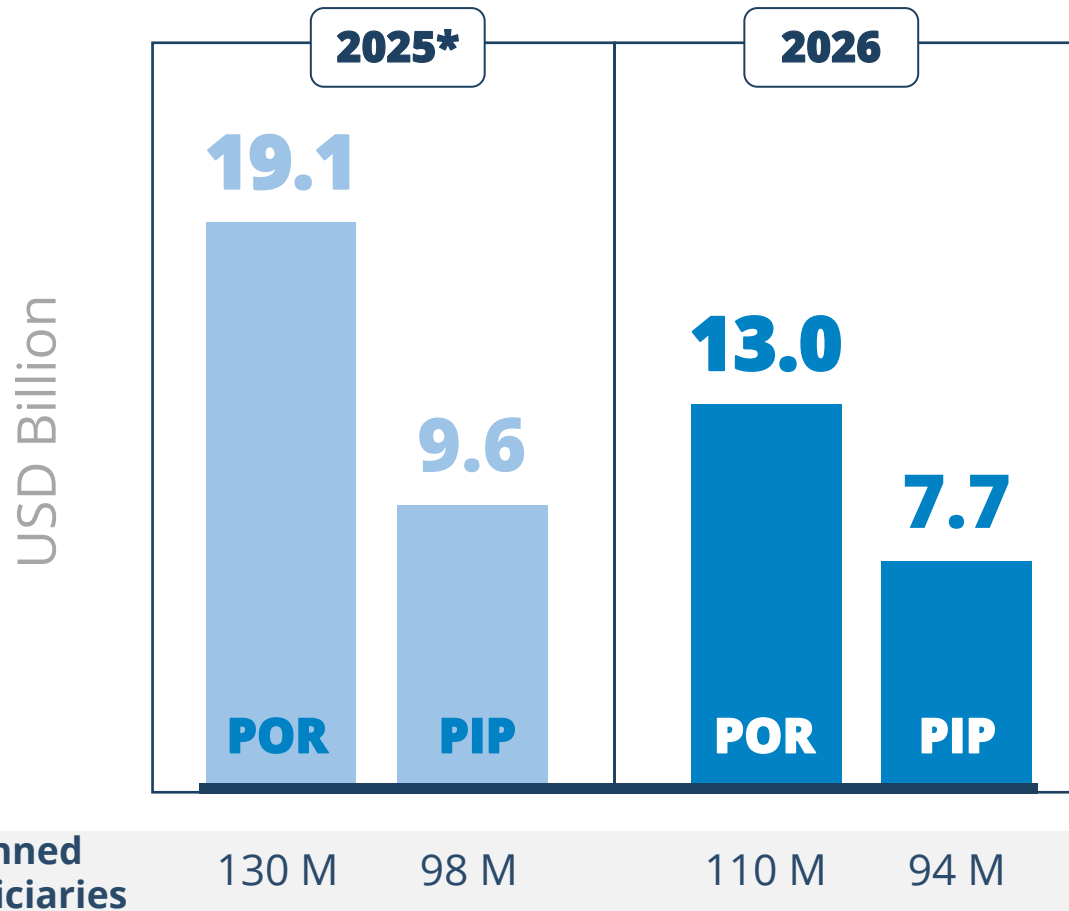
Forge shared understanding and **common grounds with partners**, to mobilize resources and drive action for the world's hungriest.

*e.g., Deepen political advocacy at G7/G20 for hunger priorities*

# **PROGRAMMATIC CONTEXT: Operational Requirements & Provisional Implementation Plan**



# Projected Operational Requirements & Provisional Implementation Plan, 2025 vs 2026



**Reduction in 2026 Operational Requirements** driven by CO adherence to **calibration guidelines** focusing on capacity, ability and resource context

The Provisional Implementation Plan (**PIP**) for 2026 is **59 percent** of projected operational requirements (**POR**)

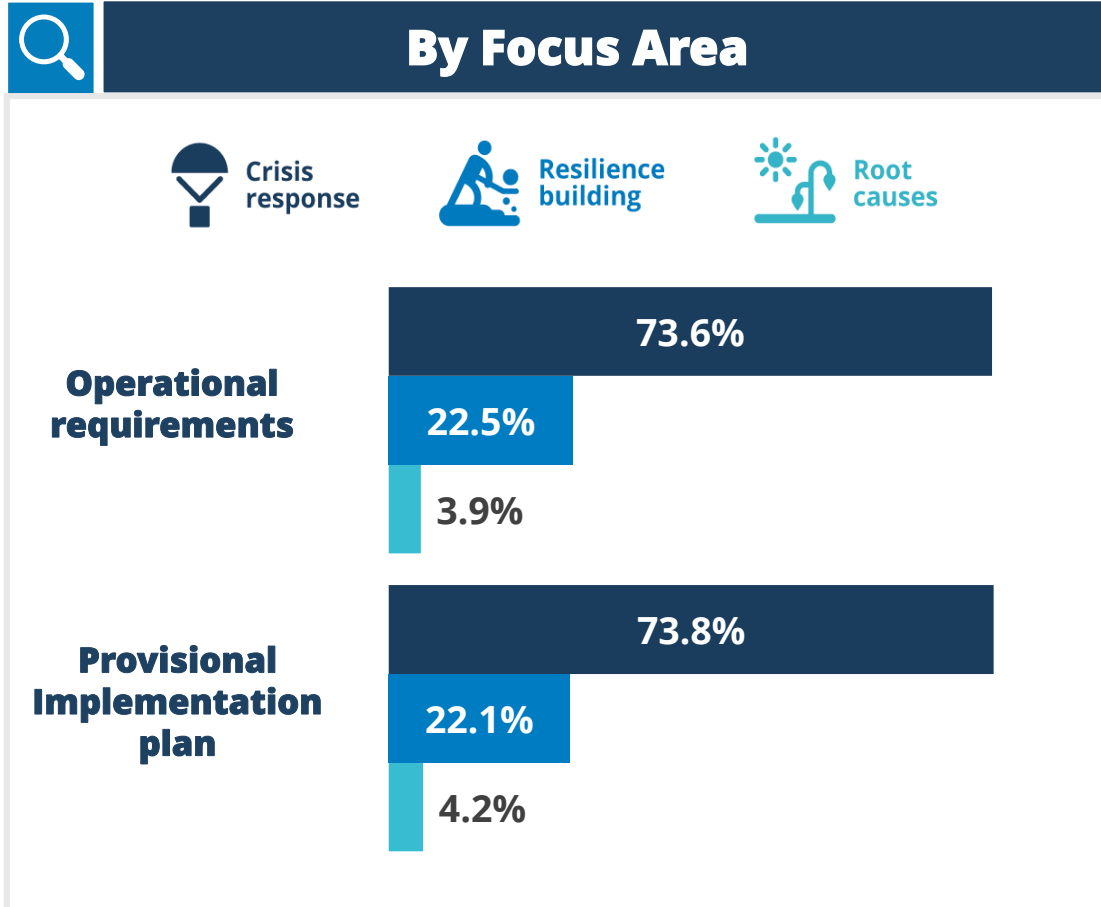
**2026 Provisional Implementation Plan of USD 7.7 B is based on:**

- contribution forecast (*USD 6.4 B*)
- estimated net use of fund balances (*USD 1.1 B*)
- expected service provision (*USD 0.2 B*)

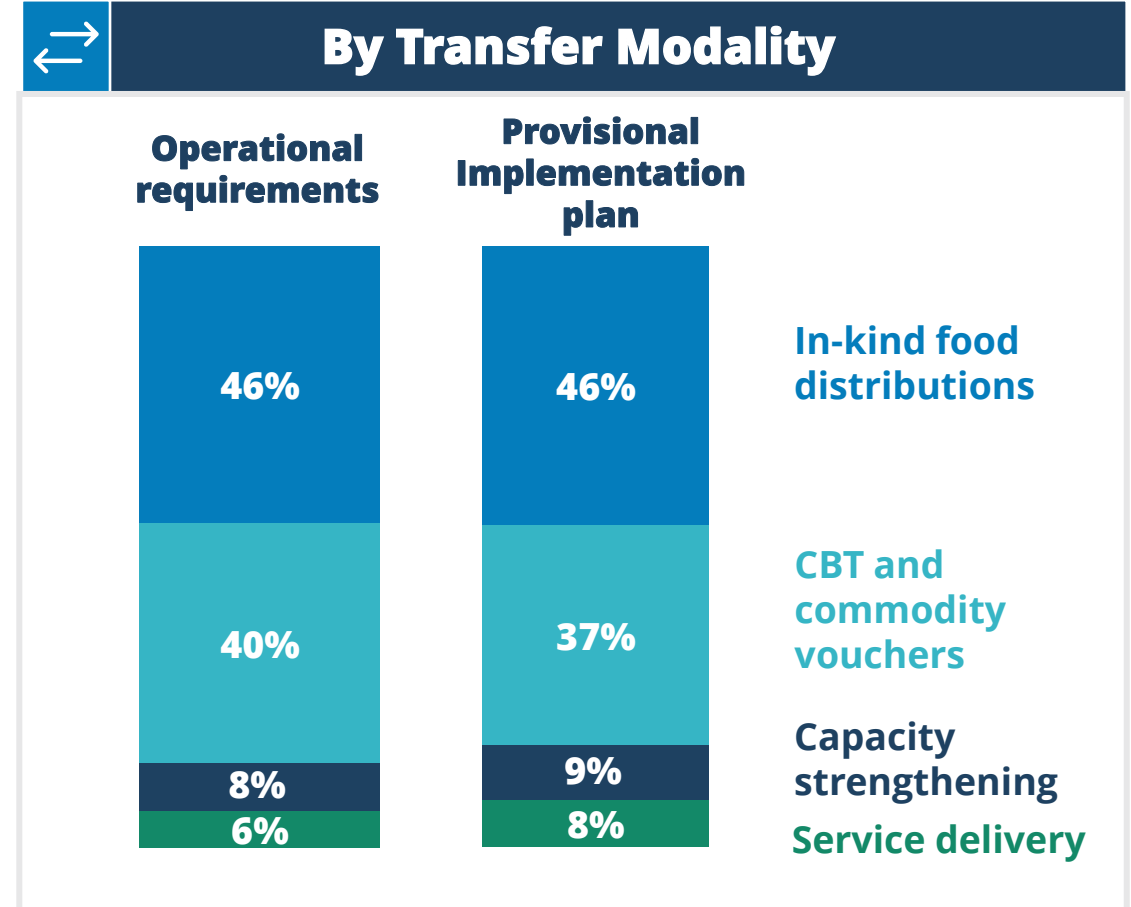
Note: Figures shown are preliminary and are subject to change prior to 2025 Second Regular Session

\*As presented in Update to Management Plan 2025-2027; based on approved operational requirements (as of April 2025) and updated implementation plan

# Projected Operational Requirements & Provisional Implementation Plan, 2026



**Crisis Response** continues as priority (**74%**) despite funding cuts projected to impact emergency activities more directly.



**CBT/CV** share projected at **37%**, slightly lower due to market disruptions in conflict-affected operations.  
**Service delivery** to increase in response to government requests.

# Q&A



# PROGRAMME SUPPORT AND BUSINESS OPERATIONS

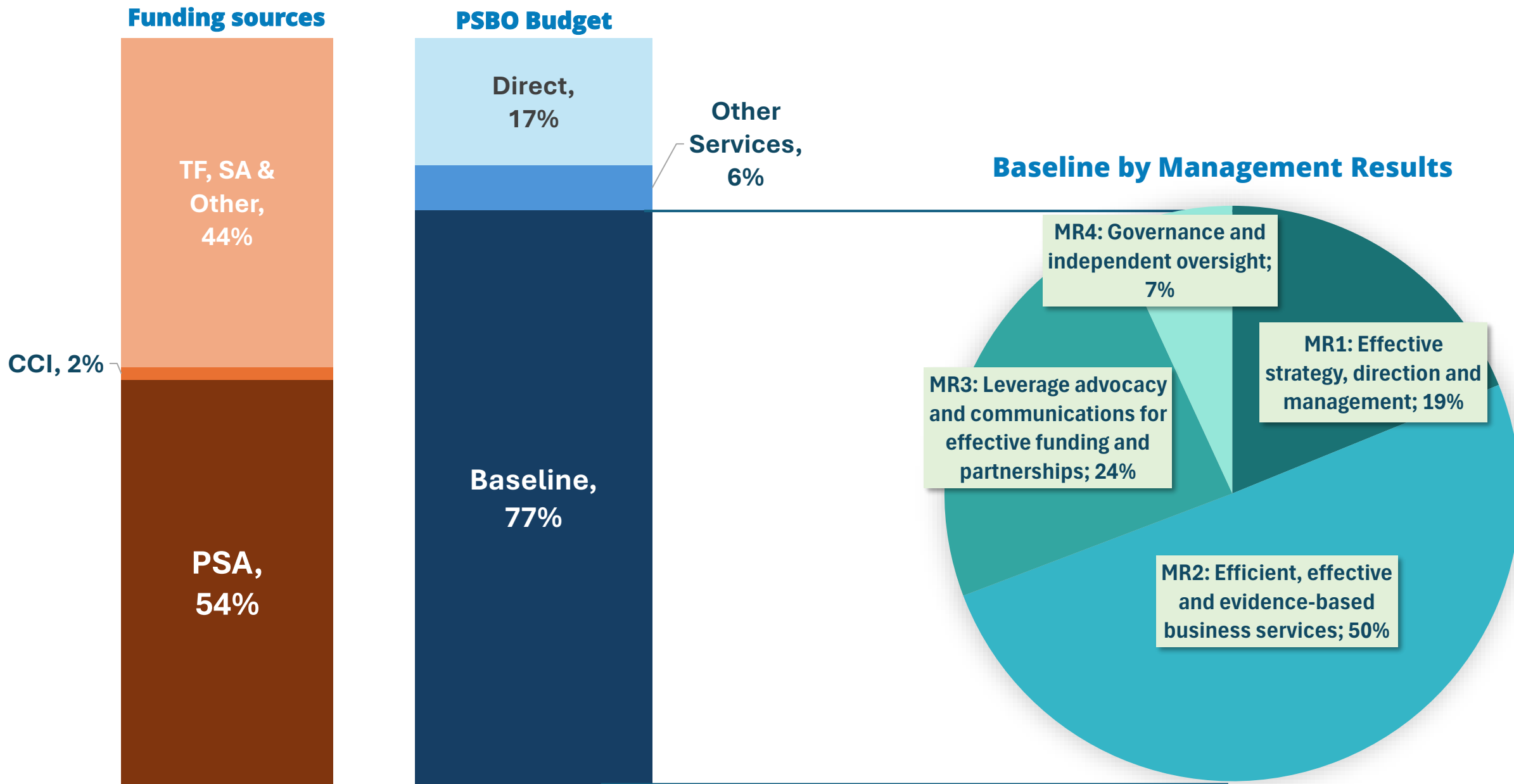


# Budget Principles for MP 2026-2028



- Maintain essential activities to meet governance obligations and to support operations as adjusted to the level of operational activity and size of the organization
- Institute efficiency-enhancing and cost-reduction measures to further reduce 2026 PSA in Global Headquarters to prioritize resources for frontline operations
- Continue to streamline Global Headquarters management structures (including removal of layers) and processes
- Prioritize support capacity closest to our operations
- Diversify and grow WFP's resource base through innovative funding mechanisms and other activities aligned to the updated resource mobilization strategy

# 2026 Programme Support and Business Operations (PSBO) budget





# 2026 PSA BUDGET



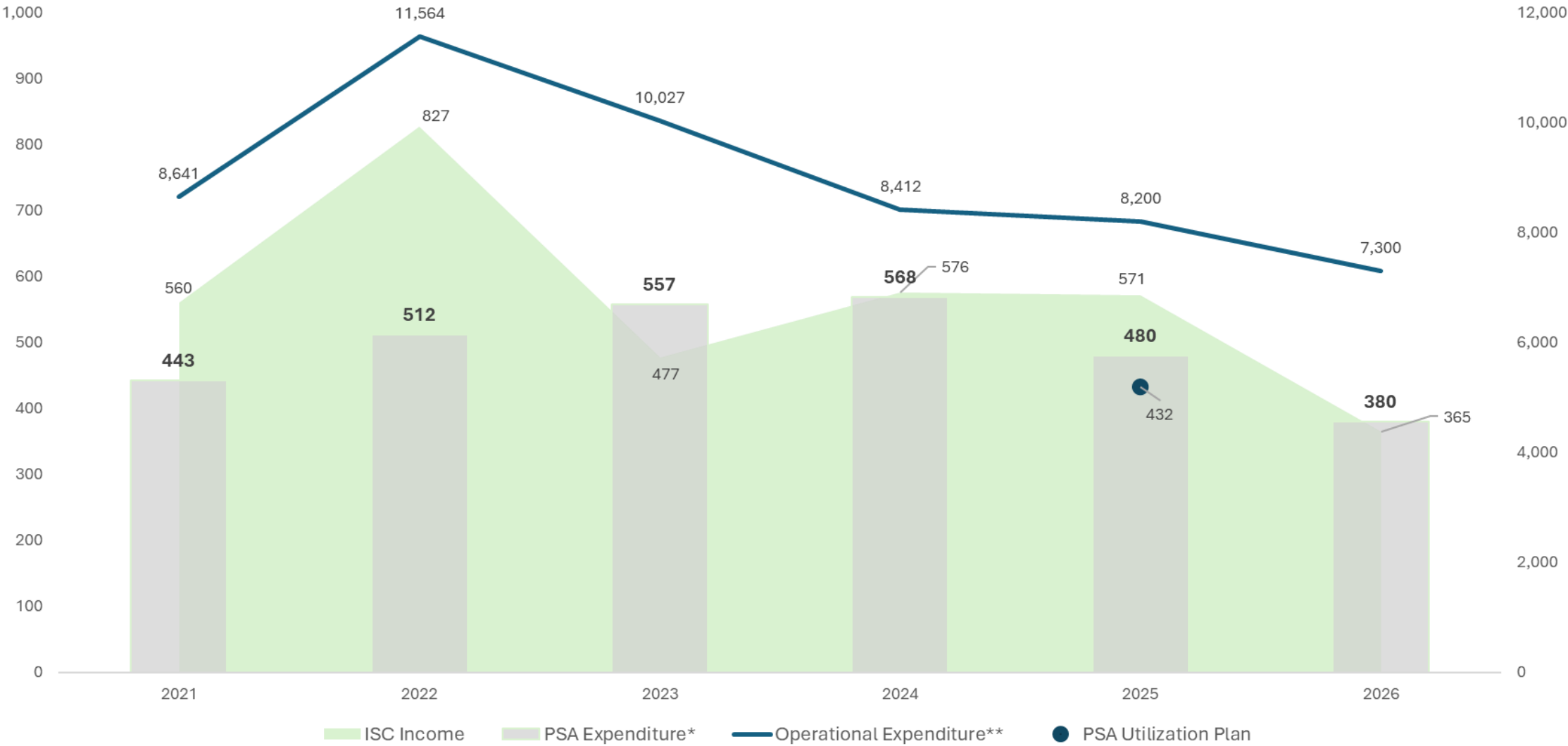


# PSA Planning Assumptions and Areas of Focus

- Maintain **ISC standard rate of 6.5%**, with exceptions of 4% as previously approved
- 2026 proposed PSA budget **maintains living within our means**
  - Projected ISC income USD 365M
  - **Proposed PSA budget USD 380M**
  - ISC on implementation plan USD 435M
- Securing funding for selected key areas: Governance and Oversight, Duty of Care, and Cybersecurity
- Be vigilant and adaptable to potential funding gaps and further opportunities that may surface during the transition to the one global headquarters structure

# Trend of PSA, ISC and Operational Expenditures

2021-2026 PSA Expenditure, ISC Income and Operational Expenditure (USD M)



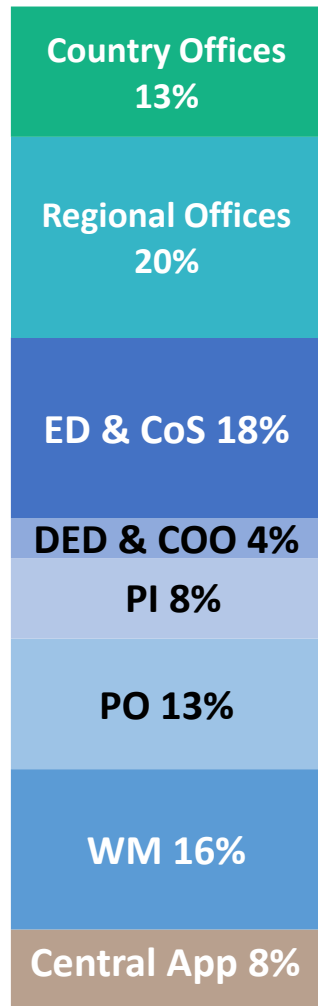
\* PSA Budget in 2025-2026  
 \*\* Projected Expenditure in 2025-2026

# Path to proposed 2026 PSA Budget

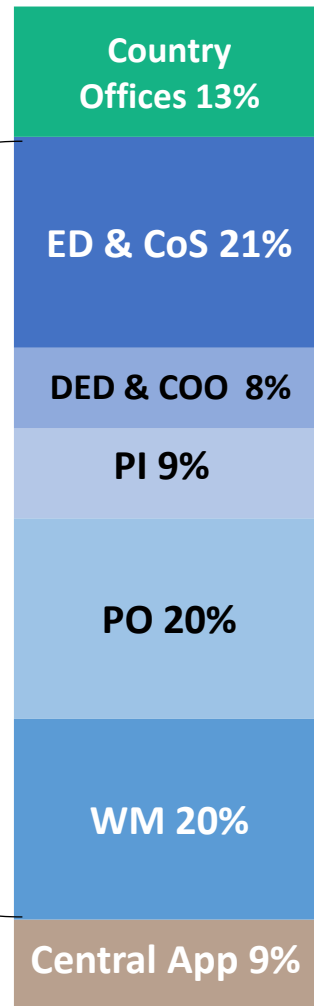
|                                       | USD M      | Organizational units impacted by changes   |
|---------------------------------------|------------|--|
| <b>2025 Original PSA Budget</b>       | <b>480</b> |  |
| Cost containment measures             | -48        | Every organizational unit from 8% to 13%; variations related to the composition of staff |
| <b>2025 PSA Utilization plan</b>      | <b>432</b> |  |
| Inflation                             | 12         | All organizational units   |
| Country Office presence               | -5         | Country Offices  |
| Functional Teams Consolidation        | -14        | Only divisions with Global Functional Teams (20% of RB budgets)                          |
| Cost Containment                      | -58        | 20% on every org unit except COs and only 10% on Central Approp.                         |
| <b>Global Budget Committee Review</b> | <b>367</b> |  |
| Targeted Allocations                  | 8          | Largest allocations to OIG, EB Secretariat, Wellness, and TEC                            |
|                                       | <b>375</b> |  |
| Exchange rate adjustment              | 5          | Applies to standard staff costs of all units   |
| <b>2026 Proposed Budget</b>           | <b>380</b> | Overall 21% reduction  |

# PSA proportion by Department

PSA 2025 (USD 480M)



PSA 2026 (USD 380M)



Global HQ

79%

78%

- Efforts to safeguard Country Offices apart from country office presence savings
- Departmental budgets increased as they have absorbed functional teams from the regional bureaus
- Regional office budget is 3% in 2026 and is within the DED & COO Department
- OIG and OEV (ED & CoS Dept.) budget reductions are only 8% and 12% as compared to the overall 21% PSA reduction.
- Central appropriations relatively inflexible, but some success in reducing budgets of UN Jointly Financed Activities

# PSA USD and % of Fixed Term vs. Short Term FTEs

|                           | 2026 PSA   | % Variation vs 2025 PSA |
|---------------------------|------------|-------------------------|
| <b>PSA budget (USD M)</b> | <b>380</b> | <b>-21%</b>             |
| <b>Fixed Term Staff</b>   | 80%        | -27%                    |
| <b>Short Term Staff</b>   | 20%        | -33%                    |

# USE OF RESERVES AND GENERAL FUND

## *Strategic Investments*



# PSAEA and General Fund balances and Proposed Use in 2026

(USD M)

|   |              |            |              |
|---|--------------|------------|--------------|
|   | <b>PSAEA</b> | <b>UGF</b> | <b>Total</b> |
| <b>Proj. Budgetary Balance 1 Jan 2026</b> | <b>321</b>   | <b>313</b> | <b>634</b>   |
| PSAEA Target / UGF Prudent Balance        | 200          | 150        | 350          |
| <b>Projected availability</b>             | <b>121</b>   | <b>163</b> | <b>284</b>   |

✓ For EB's approval

| Historical use of PSAEA and UGF |      |     |       |   |
|---------------------------------|------|-----|-------|---|
| Year                            | CCIs | IRA | Other | Included in other   |
| 2022                            | 58   | 130 | 95    | \$55m CLT; \$30m EDMF; \$8m Wellness  |
| 2023                            | 50   | 150 | 43    | \$35m increase opt'l reserve; \$6m ISC error  |
| 2024                            | 88   | 50  | 103   | \$85m CO safety net; \$15m HCM loan repayment   |
| 2025                            | 30   | 75  | 197   | \$70m Captive; \$60m workforce mgmt.; \$40m CO safety net; \$20m individual fundraising; \$7m health insurance fund |

| Potential Uses in 2026 |            |
|------------------------|------------|
| PSA Deficit            | 15         |
| Wellness               | 8          |
| EDMF                   | 22         |
| Individual Giving      | 20         |
| CO Safety Net          | 25         |
| IRA                    | 25         |
| CCIs                   | 70         |
| <b>Total</b>           | <b>185</b> |
| Workforce Management   | TBD        |



✓ For EB's approval

**USD 8 million** for services that are urgent, essential, and directly related to the well-being of staff, such as medical clinics, counseling, and psychosocial support in Global HQ and in Country Offices

- Integrated Health and Mental Support: Sustain and expand Medical Clinics, and scale up psychosocial support programs like FLOCK, ESP, and Respect+
- Healthy Team Culture: Globally scale up the Team Support Programme and Management Support Programme, and implement the Duty of Care framework in CSP planning
- Enabling Work Environment: Conduct OSH assessments, ergonomic adjustments, disability inclusion initiatives, and support working and living conditions in Country Offices by co-funding premise upgrades

# Emerging Donor Matching Fund (EDMF)

✓ For EB's approval

**USD 22 million**

proposed to replenish the EDMF to ensure continued financial support for innovative and enabling resources

- The replenishment of the EDMF would ensure continued financial support for innovative and enabling resources that facilitate bilateral contributions, technical assistance, and rapid crisis responses
- It will help the fund adapt to the evolving partnership landscape, enhancing resource mobilization with international partners and national governments
- Maintaining and expanding the EDMF is crucial for achieving the WFP Strategic Plan for 2026–2029
- Especially important for fostering strategic partnerships

# Individual Fundraising Model

## ✓ For EB's approval

Second tranche USD 20 million of the overall **USD 100 million investment** in 2026 from the UGF to accelerate WFP's Individual Fundraising model

## Expected income

**over USD 1.3B**

Cumulatively up to 2030

- Sustainably diversifying WFP's income streams through continued investment in Individual Fundraising, a comparatively less volatile market due to its global reach by expanding and regularizing engagement in new country and language markets.
- Strategic investment in 2026 will accelerate the growth of WFP's Individual Fundraising by increasing the share of regular givers and fostering long-term donor engagement, thereby enhancing financial sustainability and predictability.
- Increasing the portion of unearmarked funding for WFP.

# Country Office Safety Net

✓ For EB's approval

**USD 25 million**

proposed to support Country Offices in adapting to reduced funding levels

- Maintain similar level of support provided in 2025 for country offices to adapt to lower resourcing level, cushion them against financial crisis and cover other exceptional and unforeseen costs such as staff relocation and evacuation
- Allocations will be based on a prioritization criteria with priority for activities that manage workforce reductions, uphold assistance standards, follow assurance norms and target beneficiaries effectively

# IRA Transfer and Resourcing Target



For EB's approval



## IRA Transfer

UGF **proposed use** of USD 25 million for the Immediate Response Account



## IRA resourcing target

Annual **resourcing target** proposal to be kept at USD 400 million, same as 2025

# CCIs continuing in 2026

| CCI Name                                   | CCI Timeframe (years) | Total approved allocation | Total 2026 Budget* | Management Results   |
|--|-----------------------|---------------------------|--------------------|----------------------|
| IPSAS Implementation                       | 2025-2026             | 5.1                       | <b>3.0</b>         | <b>MR1 &amp; MR2</b> |
| Digital integration and modernization      | 2025-2026             | 11.0                      | <b>3.6</b>         | <b>MR2</b>           |
| Duty of care and inclusion                 | 2025-2026             | 5.1                       | <b>2.7</b>         | <b>MR1 &amp; MR2</b> |
| Positioning WFP to unlock diverse funding  | 2025-2027             | 5.1                       | <b>2.2</b>         | <b>MR3</b>           |
| Monitoring, ID management and traceability | 2024-2026             | 26.7                      | <b>1.0</b>         | <b>MR2</b>           |
| <b>TOTAL</b>                               |                       | <b>53.0</b>               | <b>11.5</b>        |                      |

\*No new allocations are required to fund the 2026 budget



For EB's approval

# Proposed new Critical Corporate Initiatives

USD 70 million



**IT Driven Digital Transformation Masterplan**  
2026-2028

Funding for prioritized, consolidated strategic initiatives and projects during the first three years of the **IT-Driven Transformation Masterplan**, with an additional USD 30 million mobilized from existing and other sources.



**Implementation of Global Shared Services strategy**  
2026-2028

Funding for the design and piloting of new centralized processes over the next three years, focusing on **Global Travel Arrangements**, a scaled-up **Centralized IT Service Desk**, and **Payroll systems**.

# Q&A



World Food Programme



# Changes to the Financial Regulations and Financial Rules

---

GENERAL REGULATIONS

GENERAL RULES

FINANCIAL REGULATIONS

RULES OF PROCEDURE  
OF THE EXECUTIVE BOARD

---



JUNE 2022

## Objective:

- ✓ Address External Auditors recommendations
- ✓ Consolidate budgetary policy / more comprehensive
- ✓ Reduce the MP decisions
- ✓ Resolve potential conflicting regulations

## External Auditor's recommendations:

- ✓ Review **budget related definitions** and decisions at a level below the General Rules and Financial Regulations to transform these into General Rules or Financial Regulations and make a corresponding proposal to the Executive Board.
- ✓ Propose to the Executive Board **criteria of required Management Plan revisions** in case of variances in the funding projections to enable an amendment of the General Rules or Financial Regulations
- ✓ Provide the Executive Board with one document that compares the proposed budget with the current approved budget and the modified current budget and allows for the **approval of the annual WFP budget**, for example in an annex to the Management Plan that contains the country strategic plans of all country offices in the approval periods.

# WFP budget

## Definition

### Current definition

**WFP Budget** shall mean the annual budget component of the Management Plan approved each year by the board indicating estimated resources and expenditures for programmes and activities and shall include a Programme Support and Administrative budget.

### Rationale for change

- Request from the External Auditors to identify and approve an annual WFP budget.
- Current definition is unclear, e.g. are the estimated resources and expenditures and PSA included in the WFP budget or the Management Plan (or both).
- Modify definition to recognize that CSPs are individually approved by the EB.

### Proposal

- Align with the full cost of Operational Requirements, e.g. direct and indirect costs of CSP budgets.
- For 2026, the WFP budget would be USD 13 B

# Financial Regulation 9.4

## Describes what is included in the MP

To be complemented with  
a new Financial Rule

### Current text:

The proposed Management Plan will include:

- (a) planned outcomes and indicators of achievement;
- (b) comparative tables setting out the proposals for the following financial period, the approved WFP Budget for the current financial period and the approved WFP Budget for the current financial period as modified in the light of actual receipts and expenditures; and
- (c) such statistical data, information, explanatory statements and staffing tables including those with regard to the second and third years of the Management Plan period, as may be requested by the Board or considered appropriate by the Executive Director.

### Rationale for changes:

Simplification to be more straightforward, avoid confusion and reflect focus on the first year.

### Main changes:

- ✓ Simplification of item (b) and create a financial rule describing what will be included in the management plan
- ✓ Removal of reference to second and third years in (c), since the management plan period is currently defined as a three-year plan of work

# New Financial Rule

## Information to be included in the MP

**New rule to describe the information to be included in the Management Plan and which years the data points will cover, for example:**

- a. Previous year (actual), current year (projected), next year/ 1<sup>st</sup> year of MP (proposed)  
e.g: total WFP budget and total PSA budget
- b. Next three years (Management Plan period)  
e.g: contribution forecast
- c. Only next year (1<sup>st</sup> year of Management Plan)  
e.g: organigram and concept notes of new strategic investments

# Financial Regulation 9.5:

## EB's consideration and approval the MP and WFP budget

### Current text:

The Board shall consider the proposed Management Plan, and the related reports of the ACABQ and the Finance Committee, and shall approve the Management Plan, including the WFP Budget, prior to the beginning of the financial period covered by the WFP Budget.

### Rationale of changes:

- ✓ Adhere to General Regulation XIV.6, which requires the ED to submit a “WFP budget” to the Board for approval.
- ✓ Align with the EA request to approve one WFP budget.
- ✓ Deconflict with EB specific approvals of CSPs and their subsequent budget revisions.
- ✓ Reflect current practice that the EB approves specific draft decisions within the MP.
- ✓ Allow inclusion of detailed information in the MP without constraining implementation.

### Main changes:

- ✓ Move from approving the MP to considering the MP and approving the WFP budget
- ✓ Adding language to clarify that approval of the CSPs is regulated General Regulation VI.2(c) and the Appendix to the General Rules; and that the WFP budget will change throughout the year

# Financial Regulation 9.6:

## Implications of approving appropriations

### Current text :

The Board's approval of the Management Plan, including the Budget, shall constitute:

- (a) acceptance of the WFP programme of work for the following financial period and an authorization to the Executive Director to proceed with the implementation of the programme of work; and
- (b) an authorization to the Executive Director to allocate funds, issue allotments, incur obligations and make payments for the purposes for which the appropriation was approved, up to the amount so approved.

**Rationale of changes:** Deconflict with Fin Reg 8.1, which is specific to CSPs and programmatic work

### Main changes:

- ✓ Remove text related to the CSPs
- ✓ Align with changes to Fin Reg 9.5 regarding approval of the WFP budget, not approval of MP.

# Financial Regulation 9.7:

## Transfers within PSA appropriation lines

### Current text :

The Executive Director may make transfers within each of the main appropriation lines of the approved Programme Support and Administrative budget. The Executive Director may also make transfers between appropriation lines up to limits the Board may specifically set.

**Rationale of changes:** Address the recommendation of regulations being more comprehensive and provide more flexibility during implementation as context or assumptions change.

### Main changes:

- ✓ Add 5 percent flexibility in and out of an appropriation line.



# Financial Regulation 9.8:

## MP revisions and supplementary budget

To be complemented with  
a new Financial Rule

### Current text:

The Executive Director may propose a revision in the Management Plan, including a supplementary budget, for the financial period in a form and manner consistent with the Management Plan.

**Rationale of changes:** Reducing the length and repetition of the decisions across Management Plans.

### Main changes:

- ✓ Focus regulation on revisions to the PSA and CCIs appropriations as opposed to revising the management plan
- ✓ Clarify that supplementary budget refers to PSA
- ✓ Formalize the level of increase/decrease delegated to the Executive Director:
  - (a) increase the PSA budget by 25 percent of the indirect support cost portion of an increase in the global contribution forecast, after first allocating any portion of the increase to cover a PSA funding shortfall during that period
  - (b) reduce expenditure by up to 10 percent of the approved PSA budget through cost-saving measures.

**Option 1** – Adopt these proposed changes recognizing that inclusion in the Fin Regs are administratively more cumbersome to change

**Option 2** – Keep the current approach and include every year as a draft decision in the MP.

# New Financial Rule

## MP revisions

### **Update to the Management Plan**

- a. Required when:
  - i. A change to a PSA appropriation is needed that exceeds the thresholds of Fin Reg. 9.8
  - ii. An increase in an appropriation to a CCI is needed.
  
- b. The ED may also present an update when the MP is considered the most appropriate instrument to propose an allocation from the PSAEA or unearmarked General Fund to strengthen a reserve, for thematic funding or other strategic investment.
  
- c. Changes in underlying assumptions of the Management Plan that do not have an impact on the appropriations approved in the Management Plan, such as changes in the organizational structure, and activation of changes to appropriations that are within the ED's delegated authority, will not require an Update to the Management Plan; however, the Board will be kept informed of such changes through the Executive Board Bureau, informal consultations or during Board sessions.

# New Financial Regulation

## PSA Equalization Account

### Rationale of changes:

- ✓ To reduce the decisions in the MP.
- ✓ Consolidate budgetary policy and make Financial Regulations more comprehensive.

### Proposal:

- ✓ PSA Equalization Account can always be used for ISC/PSA deficits and standard staff cost variances, while all other uses require EB approval
- ✓ Definition of Standard staff cost variance: Difference between the actual staff costs incurred and the standard staff costs charged using the standard staff cost rates established for budgeting purposes.

**Option 1** – Adopt these proposed changes recognizing they are more administratively cumbersome to change

**Option 2** – Keep the current approach and include every year as a draft decision in the MP

# NEXT STEPS



# Next Key Dates for the Management Plan Process

**May 23**



Informal briefing as part of CFO seminar

**Jul 23**



1<sup>st</sup> informal consultation

**Aug 26**



MP extracts posted on EB website

**Sept 8**



2<sup>nd</sup> informal consultation

**End Sept**



Advisory Committee on Admin. & Budgetary Questions (ACABQ)

**Oct 18**



MP document posted on EB website

**Oct 27-28**



FAO Finance Committee

**Nov 17-21**



Second regular session – MP approval



# Q&A THANK YOU



World Food Programme