ANNEX IV C: SUPPLEMENTAL REPORTING ON EFFICIENCY GAINS IN 2025 – HIGHLIGHTS FROM THE TOP TEN INITIATIVES

Efficiency at a glance – 2025: *Efficiency is a strategic performance outcome: every dollar saved can be redirected towards saving and improving lives. In 2025, WFP generated USD 235.6 million in efficiency gains, exceeding the target of ≥ USD 169.9 million. These savings were delivered through 52 efficiency initiatives, with the top ten accounting for 68 percent of the total, underpinned by strengthened results-based management and reporting on efficiency in accordance with the methodology of the United Nations Development Coordination Office (UNDCO).*

1. This annex provides an overview of the efficiency gains achieved by WFP in 2025 and describes the ten largest efficiency initiatives implemented in that year.

2. In line with the 2025–2028 efficiency road map of the United Nations Sustainable Development Group (UNSDG),[1] the General Assembly's quadrennial comprehensive policy review, and the United Nations Secretary-General's UN80 reform initiative, WFP's efficiency efforts are part of the United Nations' ongoing system-wide action to strengthen efficiency, effectiveness and agility in a resource-constrained environment.

3. WFP's strategic plan and corporate results framework for 2022–2025 highlight the importance of efficiency – including through management result 7 on efficiency gains – and prioritize efficiency and effectiveness, in line with the WFP management plan for 2025–2027.

4. WFP's sustained investment in its internal performance and results-based management frameworks – including the mainstreaming of UNDCO's efficiency reporting methodology into the corporate planning-to-reporting cycle, and the roll-out of output-based budgeting for the programme support and business operations budget – now fully underpin the work of global headquarters. This evolution contributed to stronger performance in the pursuit of efficiency in 2025.

5. In 2025, WFP generated USD 235.6 million in efficiency gains,[2] with the top ten efficiency initiatives accounting for USD 159,360,917, or 68 percent of the total. As a result, the total amount of efficiency gains exceeded the target of ≥ USD 169.9 million by USD 65.7 million or 30 percent. These gains were achieved through a portfolio of 52 efficiency projects, with approximately USD 3.4 million coming from bilateral inter-agency initiatives, and the remainder being generated through internal projects specific to WFP. During the year, 31 new efficiency projects were launched against a target of 40. The shortfall reflects the ambitious nature of the indicator target, combined with resource constraints that limited the roll-out of additional new initiatives.

6. In addition to its own reported efficiency gains, WFP developed and enabled initiatives that contributed approximately USD 8,245,000 to the efficiency gains reported by other entities in the United Nations system, as consolidated by UNDCO.

[1] UNSDG Efficiency Roadmap 2025–2028.

[2] In its reporting to UNDCO, WFP recorded USD 235,957,704 in efficiency gains for 2025, representing an increase of USD 109.9 million or approximately 87 percent compared with the USD 126.1 million reported in 2024. The 2025 figure includes the gains generated from the following three initiatives, which are not reflected in the total amount presented in this annex: 1. a tool for tracking the planning and results of climate action; 2. a tool for tracking the completion of the climate action logical framework; and 3. the digitalized self-insurance scheme claims portal.

7. In line with UNDCO guidance, WFP promotes efficiency through two main avenues:

   i) internal, entity-specific initiatives, which generate efficiencies within WFP's own operations and the enabling services that support them; and

   ii) inter-agency initiatives, which contribute to broader United Nations reform objectives and foster shared efficiencies across the humanitarian system.

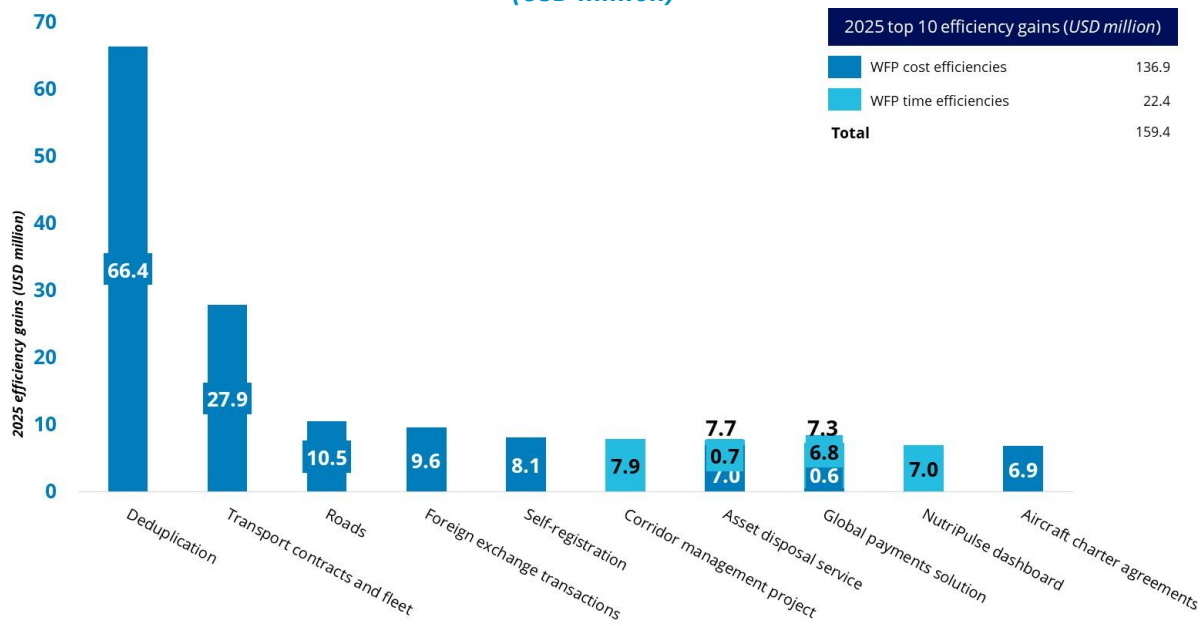
8. Efficiency gains in 2025 were delivered through streamlined operations and strengthened inter-agency cooperation. WFP leads several global shared services and joint efficiency initiatives, such as the United Nations booking hub, which continued to expand in 2025, integrating fully digitized services that enhance accuracy, save time on administrative tasks, and promote environmental sustainability.

9. Overall, WFP's results in 2025 reflected a continued upwards trajectory in reported efficiency gains since 2022. Performance was stronger than in 2024, reflecting improved measurement of the results of ongoing projects, broader reporting by their business owners, and more consistent attribution, organizational learning and decision-making in relation to efficiency. Clear ownership, reliable systems and consistent consolidation underpin the credibility and transparency of reported efficiency gains.

10. The ten largest efficiency initiatives and their associated values were reported mainly by the supply chain function, and those ten accounted for 73 percent of total gains.

11. Where applicable, reporting on efficiency initiatives distinguishes between savings of costs and time. Cost efficiencies represent reductions in the financial resources required to achieve a given outcome, while time efficiencies represent reductions in the working hours required to perform a given task, and are expressed in terms of the full-time equivalent (FTE)[3] units required to achieve the result.

Figure 1: Total efficiencies achieved from WFP's top ten efficiency gains in 2025 *(USD million)*



[3] FTE units are converted into USD equivalents.

Deduplication

12. WFP generated USD 66.4 million in cost savings by establishing a strong foundation for identity management as the basis for the assured delivery of assistance in the State of Palestine. First, WFP established the largest and most up-to-date operational registry for Palestinians, using beneficiaries' self-registration and data received from partners, and ensuring that each record in the registry was unique through the application of deduplication tools and analysis of detected anomalies. This was achieved using WFP's data assurance tools, with support from global headquarters' identity management services.

13. Based on this clean and verified registry of individuals, the WFP country team regularly generates distribution lists for its partners by using a mobile application that verifies the identities of food collectors offline and prevents the delivery of duplicate assistance to single individuals. The use of data assurance tools to enable the deduplication of distribution lists across partners ensures that individuals do not receive duplicate assistance for a single purpose from multiple partners. This was particularly critical in situations of ongoing displacement, where individuals were frequently registered by multiple partners in different locations as they moved.

14. WFP's fast, assured and agile approach to identity management ensures that assistance reaches the right people and that there are no overlaps in the assistance being provided by more than 15 partners.

Transport contracts and the WFP fleet

15. WFP reduced logistics costs by optimizing transport contracts, dedicated fleet arrangements, demurrage control, and warehouse management, generating USD 27.9 million in cost savings. Savings were driven by the re-negotiation of long-term agreements with volume-based discounts, the re-negotiation of dedicated fleet rates, the right-sizing of its fleet capacity in line with operational demand, and the introduction of time-based transport contracts.

16. A significant efficiency gain resulted from the renegotiation of a dedicated fleet contract with a key service provider, reducing flatbed truck costs by up to 52 percent through increased competition and reduced reliance on monopoly-type arrangements. The transition to time-based, on-demand contracting, supported by the deployment of fleet assets owned by WFP, ensured that the organization paid only for the services delivered, generating sustained efficiency gains.

Roads

17. WFP realized USD 10.5 million in efficiency gains through the completion of the road between Bor and Ayod in South Sudan, enabling a shift from high-cost air operations to lower-cost overland transport. The new road significantly reduced the travel time between Bor and Ayod, from more than two days to approximately five hours for cargo trucks, ensuring year-round access to northern Jonglei, including during the rainy season.

18. This transition significantly reduced reliance on costly airlifts, with high carbon emissions, restored commercial road transport, and improved access to markets and services for local communities. The initiative, financed through capital budget loans that have since been fully reimbursed, also strengthened WFP's role as a partner of choice in supporting national infrastructure development.

Foreign exchange transactions – South Sudan country office

19. WFP generated USD 9.6 million in cost savings through the optimization of foreign exchange transactions supporting cash-based transfer (CBT) operations in South Sudan. Savings were achieved through the centralized management of transactions, and strategic negotiations

with commercial banks and licensed foreign exchange operators, securing more favourable exchange rates for the conversion of United States dollars into South Sudanese pounds.

20. This approach enabled WFP to purchase higher volumes of local currency for the same dollar value – or, alternatively, to reduce dollar requirements – compared with decentralized arrangements or the application of the official central bank rate, which would have resulted in an estimated loss of USD 0.6 million. The initiative delivered stronger value for money for donors' contributions while supporting the effective and timely delivery of cash-based assistance.

Self-registration

21. WFP generated USD 8.1 million in cost savings through the introduction of self-registration, allowing beneficiaries to directly register for assistance without having to rely on in-person registration facilitated by cooperating partners. Savings were realized primarily in the State of Palestine and the Sudan, where self-registration reduced the costs associated with large-scale physical registration exercises for operations and partners by reducing the average cost per registration record from USD 12 to USD 0.5.

22. In addition to cost savings, self-registration improved access in hard-to-reach areas, streamlined registration workflows, and contributed to a reduced carbon footprint by limiting travel requirements for both beneficiaries and cooperating partners. WFP's "people portal", an extension of the self-registration application, allows individuals to directly update their personal data, including changes in location or phone number, and represents the first such capability in the humanitarian sector.

Corridor management project

23. WFP generated the equivalent of USD 7.9 million in time savings through the corridor management project launched by the Eastern and Southern Africa Regional Office and aimed at achieving a 15 percent reduction in corridor budgets in line with corporate efficiency directives and cost containment targets. Savings were realized through targeted corrective actions implemented by country offices, with technical guidance and coordination from the global corridor management team.

24. Measures focused on optimizing staffing structures, premises and other fixed costs to align corridor footprints with the projected throughput. While the rates for using corridors increased as a result of lower volumes and structural consolidation, reductions in the fixed-cost components of those rates more than offset those pressures, delivering net efficiency gains in absolute terms.

25. Additional benefits included improved predictability of demand, standardized costing methodologies, strengthened governance, better alignment of resources with demand, and a cultural shift towards evidence-based decision-making. The global expansion of this initiative, which was initially applied to corridors supporting the country offices in the Eastern and Southern African region, is planned for 2026.

Asset disposal service, including the United Nations System Online Auctions platform

26. WFP generated USD 7.8 million in efficiency gains through the Asset Disposal Service (ADS), which accelerates the disposal of unused, unserviceable or obsolete assets through transparent public auctions, maximizing value recovery – primarily from overaged and out-of-policy light vehicles – while reducing the risks of environmental damage, fraud, theft and reputational damage associated with prolonged storage.

27. During the year, ADS generated USD 11.9 million in net revenues from asset sales, and delivered time savings of 20.24 FTE units, notably in storekeeping and the management of equipment master records. In parallel, use of the United Nations System Online Auctions

platform continued to expand throughout WFP's operations, with 32 auctions conducted in 20 offices in 2025. The platform also supported asset disposal for other United Nations entities, including the United Nations Office for the Coordination of Humanitarian Affairs and the Food and Agriculture Organization of the United Nations, with further system-wide efficiency gains expected as adoption expands.

Global payments solution

28. WFP advanced the consolidation of its accounts payable function through the global payments solution, hosted at the global business services centre in Budapest, generating USD 7.3 million in combined cost and time savings. The initiative reduced transactional workloads in country offices by centralizing payment processing, with a target of migrating 70 percent of accounts payable activities to the global payments solution, thereby enabling country offices to refocus on core programme delivery.

29. Efficiency gains were achieved through the implementation of a single service gateway for payment requests, full integration with WFP's financial and human resources systems, and increased automation, including optical character recognition, automated validations, and real-time payment monitoring. Standardized workflows strengthened governance arrangements, and the "lift-and-shift" of headquarters accounts payable functions further improved the efficiency, control and transparency of payments processing.

Nutri-Pulse dashboard

30. The nutrition team developed a global "Nutri-Pulse" dashboard to provide a user-friendly, centralized platform for accessing and analysing nutrition data, generating the equivalent of USD 7 million in time savings. The dashboard allows users to customize data exploration and includes several modules: a quarterly snapshot of unique beneficiaries reached, and the volumes of CBTs and food distributed; and monthly summaries covering beneficiary reach, the CBTs and specialized nutritious and fortified foods distributed, and engagement in social and behaviour change activities.

31. The dashboard also presents key nutrition outcome indicators, including performance in the management of moderate acute malnutrition, covering the coverage of treatment programmes, cure rates, and mortality, default and non-response rates. Users can filter data by time period, region, country and modality, making the dashboard a practical tool for evidence-based decision-making at all levels of WFP.

Revision of the terms and conditions of ongoing aircraft charter agreements

32. WFP generated USD 6.9 million in cost savings through the revision and renegotiation of the charter agreements for 24 aircraft operating in 16 aviation field operations. The initiative was implemented in Afghanistan, Burkina Faso, Chad, the Democratic Republic of the Congo, Guinea, Kenya, Madagascar, Mali, Mauritania, Mozambique, the Niger, Nigeria, Somalia, South Sudan, the Syrian Arab Republic and Yemen, based on detailed analysis of operational performance and contractual conditions.

33. In line with guidance issued by the headquarters' aviation team in the Supply Chain Division, each aviation field operation reviewed its fleet composition and contract structures in coordination with its steering committee, identifying opportunities for fleet adjustments and optimization measures that strengthened cost efficiency while maintaining operational continuity and service delivery in complex and high-risk environments.