Chief Financial Officer Division (CFO)

WFP Management Plan (2027-2029)

1st Informal Consultation

27 July 2027

WFP
World Food Programme

SAVING LIVES
CHANGING LIVES

Objective of the 1st Informal Consultation

- Update on **Funding** and **Programmatic** Contexts (Operational Requirements & Implementation Plan)
- Update on 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
- **Programme Support & Business Operations**
  - **Part I - PSA**
- **Q&A**
  - **Part II - PSAEA and General Fund: Strategic Investments**
- **Next steps and Q&A**

Management Plan 2027 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
- **Indirect Support Cost rate**
- **IRA Resourcing Target**

For noting

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

INTRODUCTION

World Food Programme

Global Context

Food insecurity

266 million people in 47 countries face **acute food insecurity**

Food insecurity is expected to deteriorate in 13 **hunger hotspots** over the second half of 2026

Two **F**amines in 2025, and Risk of **Famine** has been identified in 4 countries or territories for 2026

Drivers of hunger

Conflict remains the primary driver of acute food insecurity for more than half of the world's acutely food insecure, and is expected to worsen hunger in 12 of the 13 hunger hotspots

Climate risks will remain a key driver of food insecurity in 2027. Strong El Niño conditions are expected to put millions at risk

Economic stress will continue to heighten vulnerabilities across countries. Eroded foreign exchange reserves and fiscal space may limit governments' ability to respond to shocks in 2027

International assistance

Official development assistance declining (declined by 23.1% in 2025)

Humanitarian assistance contraction (by 35.8% in 2025) and reduced funding **predictability**

Humanitarian assistance to **the food sector** in crisis contexts plummeted by 59% between 2022 and 2025

Internal Context

World Food Programme

Strategic Plan 2026-2029

Life-saving assistance

Enhanced resilience

Enabled government and partner programmes

Transition and transformation

- Leadership Transition
- Leaner operating model
- Authority closer to delivery
- Recalibrate and diversify funding
- AI enabled efficiency
- Lead UN reform

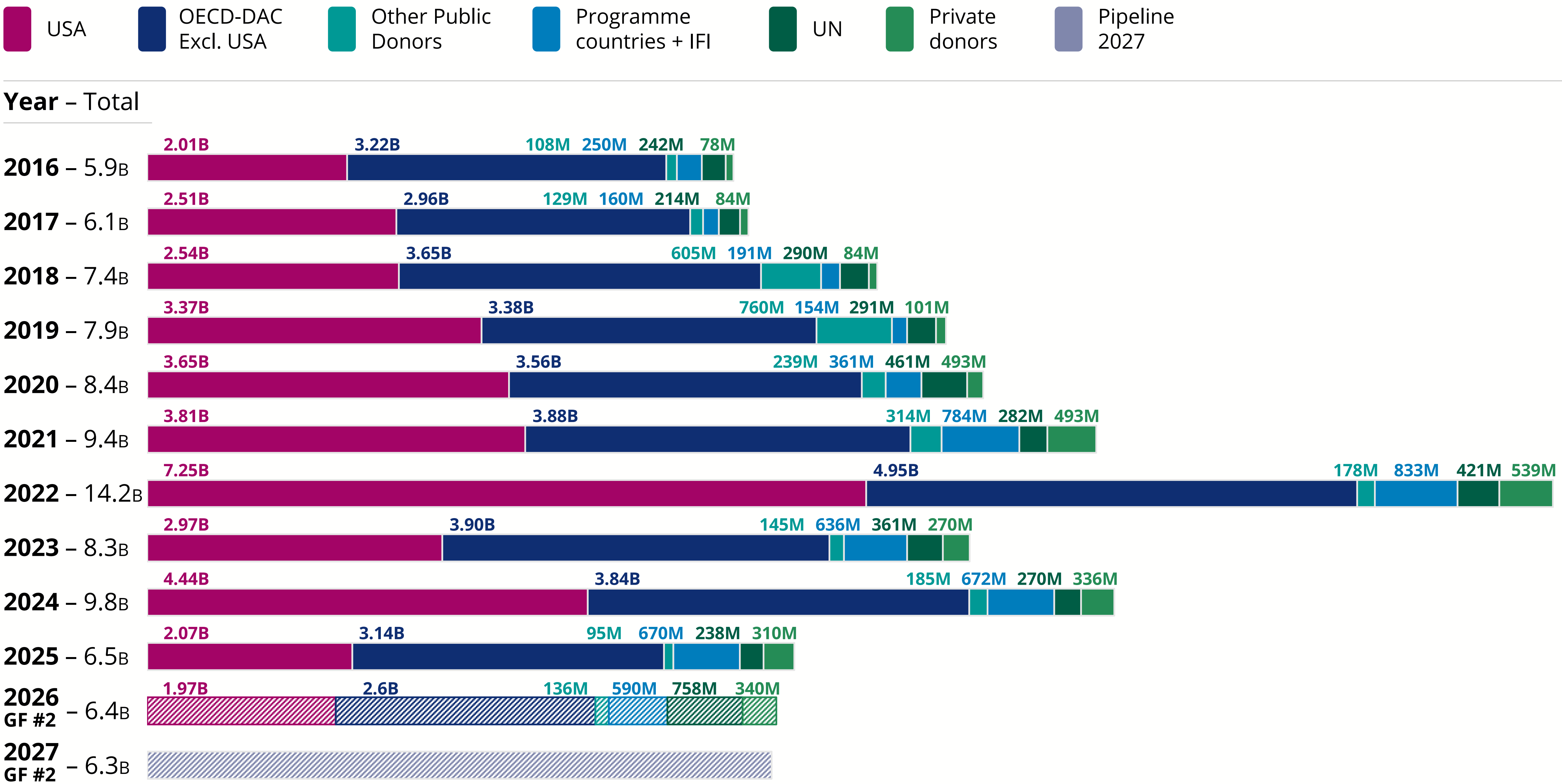
PURPOSE REMAINS CONSTANT Reach people facing starvation, including in the hardest-to-access places, faster and more effectively.

STRONGER STEWARDSHIP Protect critical assurance and oversight while strengthening risk-based decisions, controls, transparency and value for money.

FUNDING CONTEXT

World Food Programme

Historical funding trends



Figures before accounting adjustments

Resourcing to enable WFP strategic plan to end hunger

	1. Effective emergency preparedness and response	2. Reduced needs and enhanced resilience to withstand shocks	3. Enabled government and partners programmes
STRATEGIC PLAN OUTCOMES	1. Effective emergency preparedness and response	2. Reduced needs and enhanced resilience to withstand shocks	3. Enabled government and partners programmes
RESOURCE MOBILIZATION APPROACHES	**Protect** and deepen partnerships with longstanding public sector donors, increasing flexible funding **Protect** UN funding levels for emergency responses **Grow** high-potential and emerging governments' contributions **Grow** private sector flexible funding towards crises, mainly individual giving and corporates	**Protect** OECD-DAC countries' support to resilience **Grow** engagements with programme countries and IFIs **Grow** partnerships with WFP's Climate and Resilience Investment Pipeline **Grow and diversify** with innovative financing and partnering with foundations and philanthropies.	**Grow** engagements with programme countries and IFIs **Grow** WFP's convening power and engage in coalitions focusing on social protection **Grow and diversify** innovative financing, including debt swaps, capital market solutions, blended financing, etc.

←---- Leverage existing partnerships to crowd partners for increased impact (private-private, public-private) ----→

Yearly Resource mobilization target:
to fund WFP's Strategic Plan as per Management Plan budget.

PROGRAMMATIC CONTEXT: Operational Requirements & Provisional Implementation Plan

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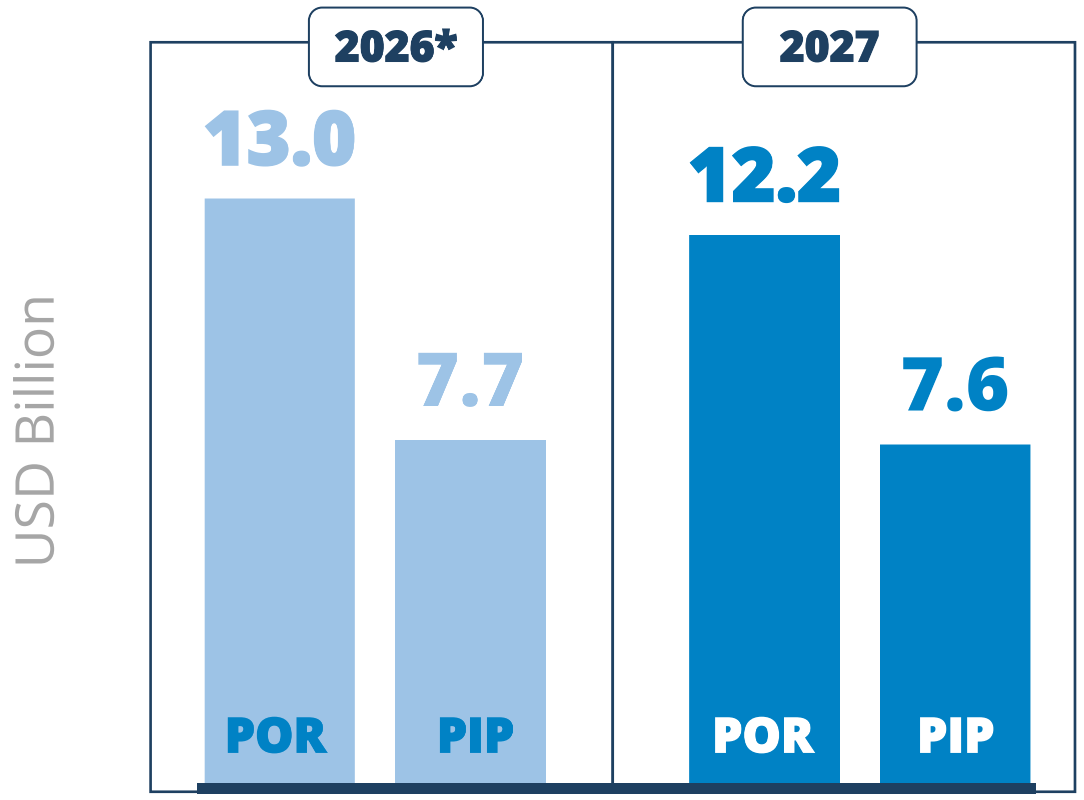
World Food Programme

Projected Operational Requirements & Provisional Implementation Plan, 2026 vs 2027



A **7 percent decrease** in the 2027 Projected Operational Requirements compared with 2026, showing a continuation of the downward trend following the application of **calibration principles**.

The Provisional Implementation Plan **(PIP)** for 2027 is **63 percent** of projected operational requirements **(POR)**, resulting in **the narrowest gap** between the PIP and POR in five years.

2027 Provisional Implementation Plan of USD 7.6 B is based on:

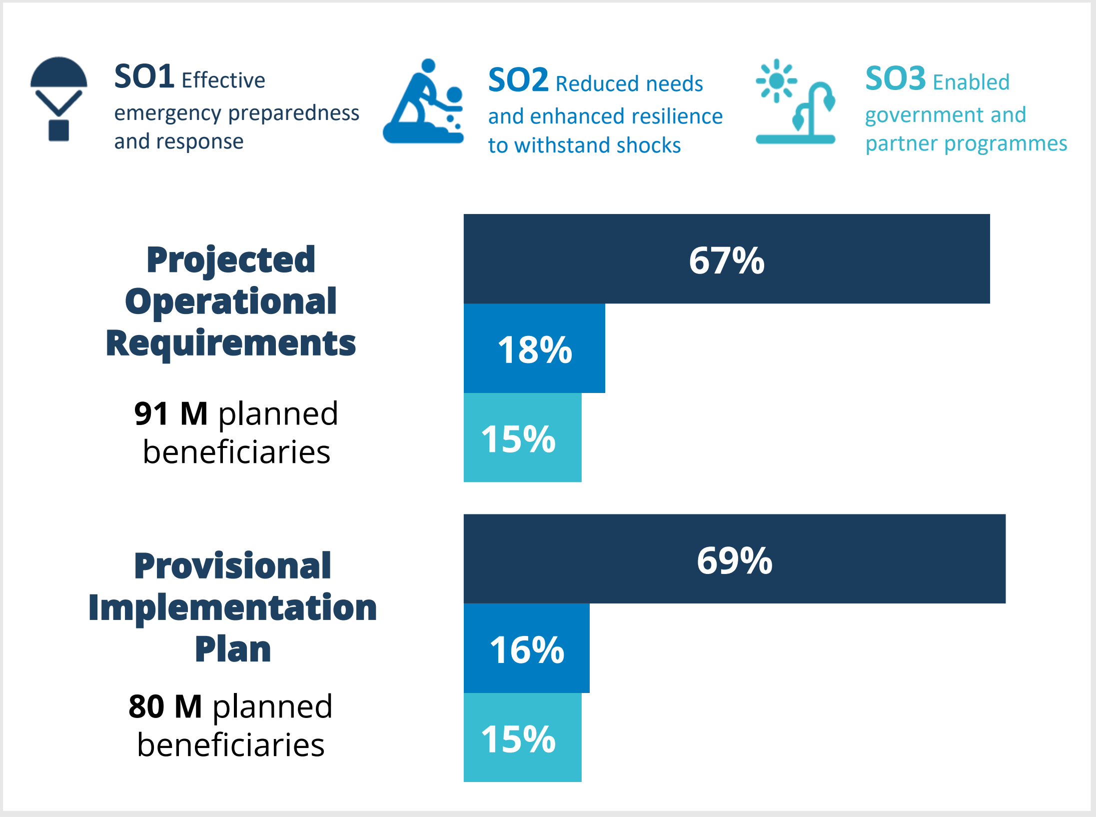
- contribution forecast ***(USD 6.3 B)***
- estimated net use of fund balances ***(USD 1.15 B)***
- estimated funding for On-Demand SP activities ***(USD 0.15 B)***

Note: Figures shown are preliminary and are subject to change prior to 2026 Second Regular Session

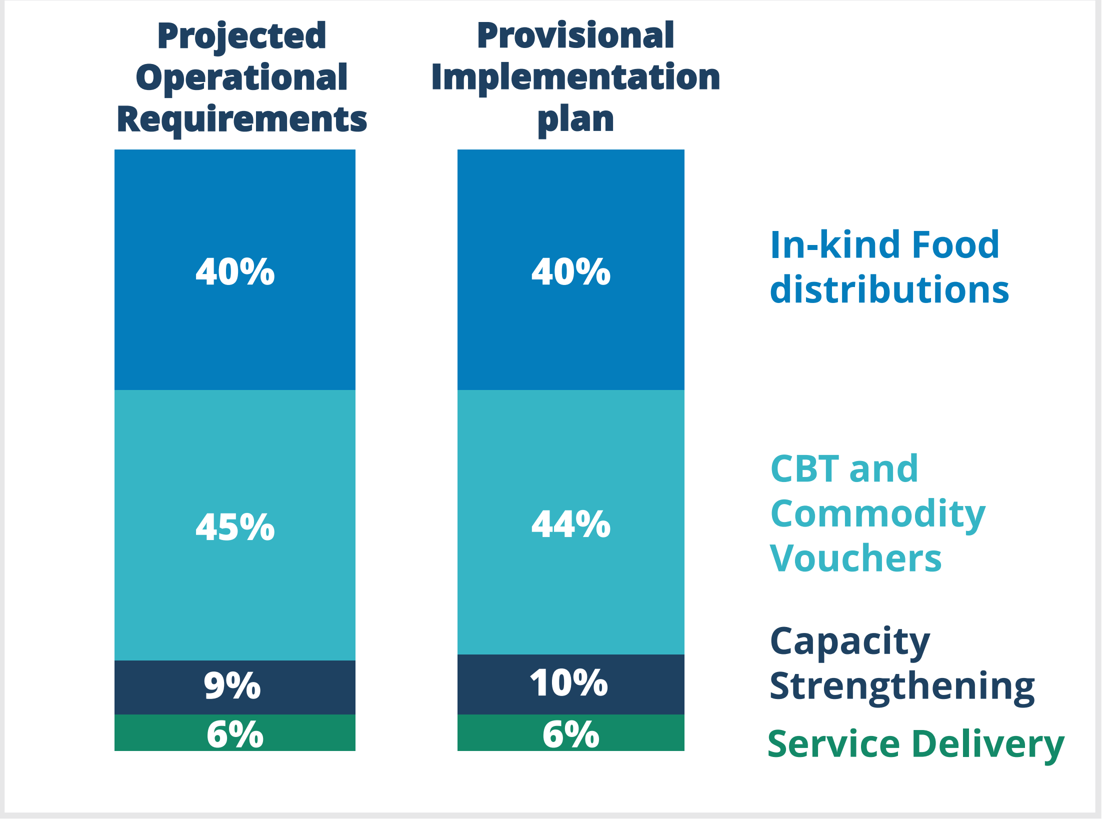
**As presented in Management Plan 2026-2028*

Projected Operational Requirements & Provisional Implementation Plan, 2027

By Strategic Outcome



By Transfer Modality



- **Strategic Outcome 1** (Effective emergency preparedness and response) remains the primary focus of WFP's operations to meet the urgent needs for people in crisis.

- **CBT and Commodity Vouchers** now accounts for a larger share of both POR and PIP than Food for the first time.

PROGRAMME SUPPORT AND BUSINESS OPERATIONS

World Food Programme

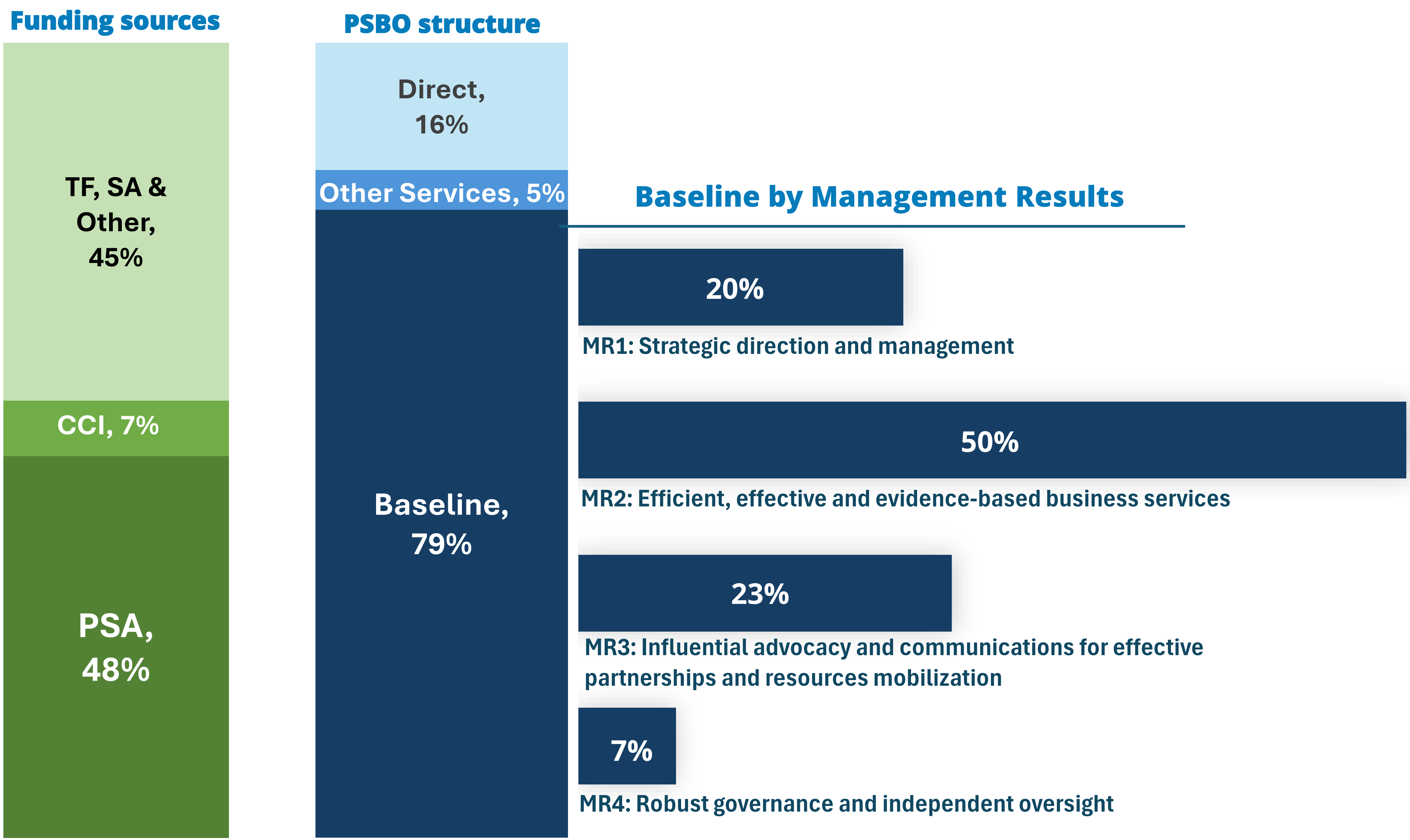
Leadership Team priorities guiding the budget process for 2027

1	Operational Excellence	Prioritize impactful, high-quality programming, and an agile, efficient supply chain, and direct support to beneficiaries and country offices.
2	People Management & Duty of Care	Safe humanitarian access: prioritize staff safety and duty of care. Strategic workforce alignment: aligning workforce to current and future operational needs.
3	Efficiency & Effectiveness via Technology, AI & Innovation	Accelerating digital modernization and the use of AI to improve programme quality, efficiency, and cost-effectiveness of enabling services.
4	Grow & Diversify Resources	Strengthening and broadening WFP's funding base by protecting key donors, expanding flexible and multi-year resources, and leveraging innovative financing to sustain frontline operations.

Budget Principles for MP 2027-2029

- Maintaining the ‘**Living within our means**’ principle and propose a budget aligned with the projected ISC income, ensuring fiscal discipline.
- Apply a **strategic prioritization** approach rather than applying uniform reductions across the organization.
- Direct available resources to activities that deliver the greatest **operational and organizational impact**.
- Reinforce WFP's commitment to **frontline delivery** and support to Country Offices.
- Align **operating model** and cost structure to ensure long-term organizational sustainability

Provisional 2027 Programme Support and Business Operations (PSBO) budget



2027 PSA BUDGET

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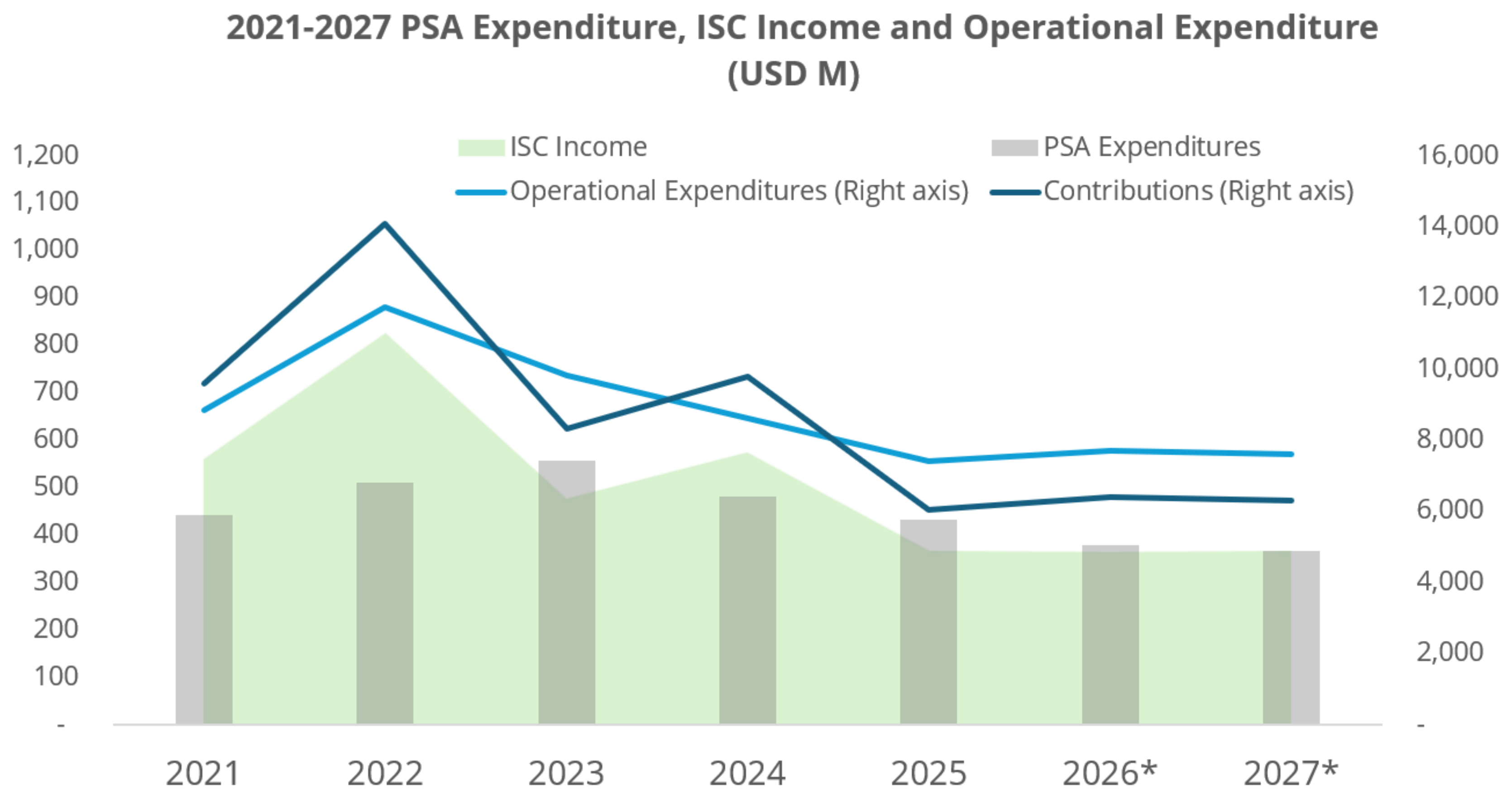
PSA planning assumptions for 2027

- **USD 6.3 billion** Global Forecast
- **Standard ISC rate proposed at 6.5 percent**, with exceptions for lower rates as per previous EB decisions
- **ISC income** forecasted at **USD 366.4 million**
- Proposed 2027 **PSA** budget at **USD 366.4 million** aligned with principle of **living within our means**

Trend of PSA, ISC income, and Operational Expenditures



ISC income (USD M)	560	827	477	576	368	365	366
PSA exp. (USD M)	443	512	557	481	432	380	366
Operational exp. (USD B)	8.8	11.8	9.8	8.6	7.4	7.7	7.6
Contributions** (USD B)	9.4	14.2	8.3	9.8	6.5	6.4	6.3

*2026-2027 projected
**As per historical funding trend, slide 8

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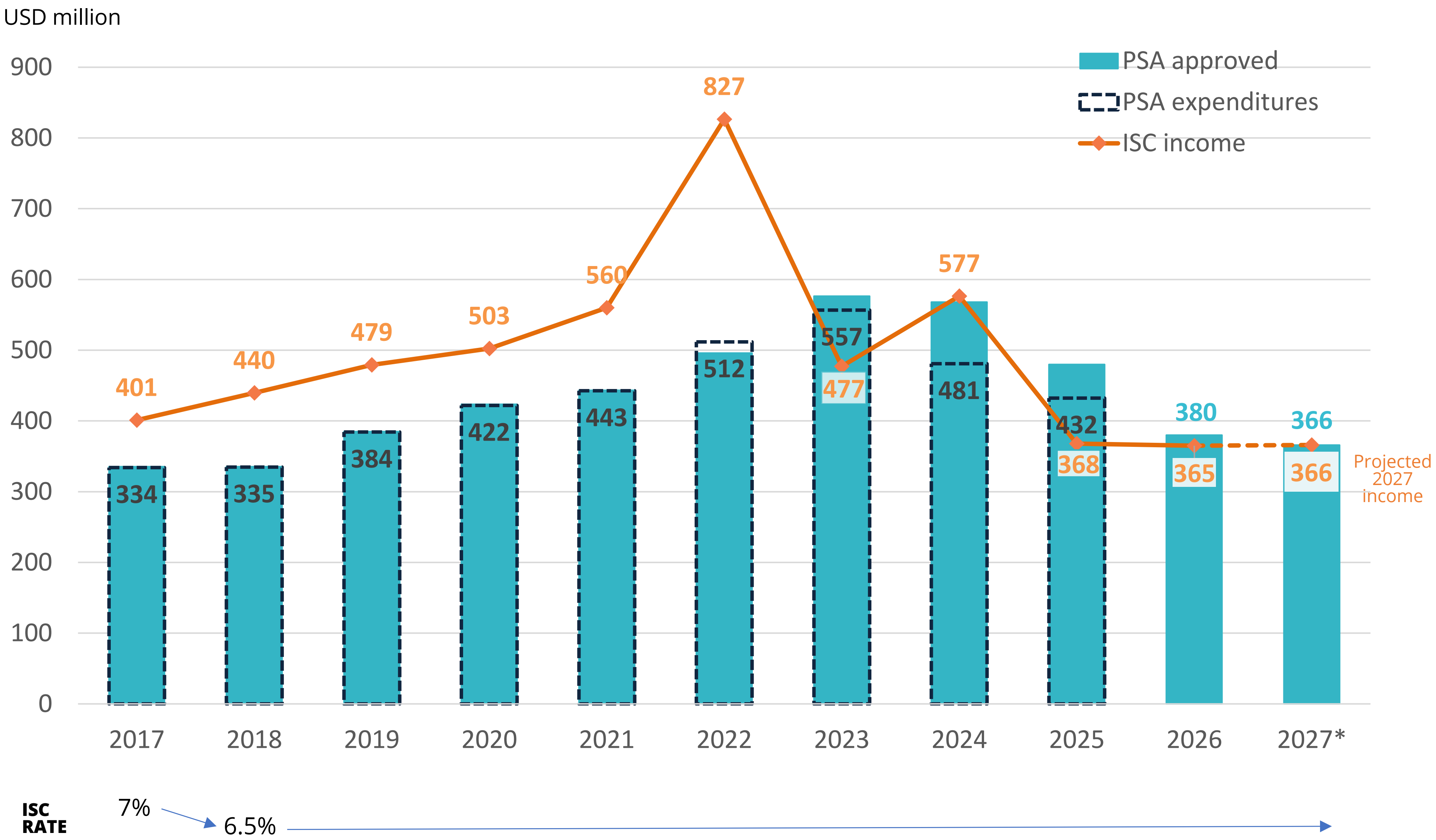
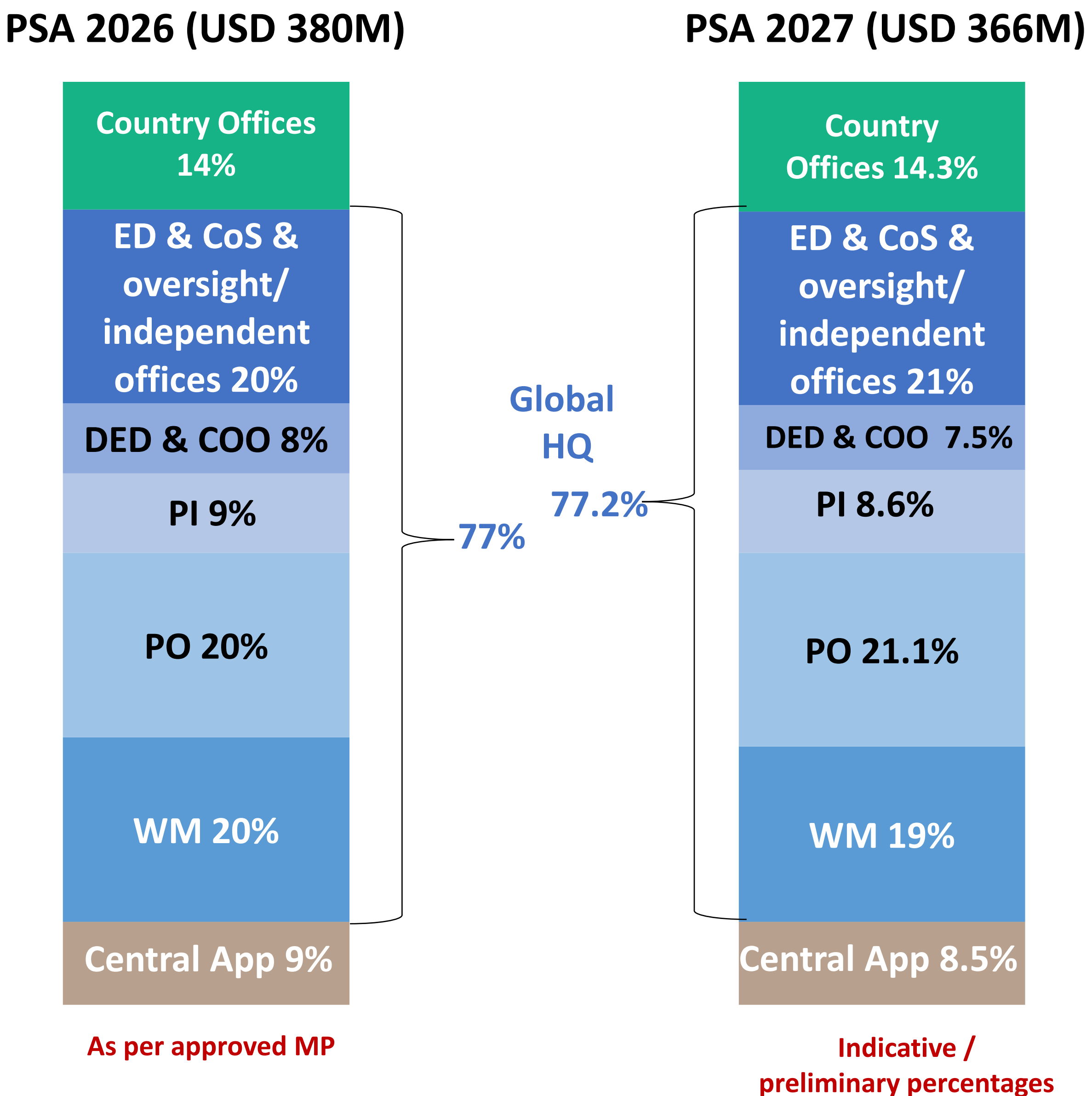
PSA and ISC historic trend



- With contributions decreasing, WFP has gradually reduced PSA over the past few years and implemented various efficiency measures.
- WFP continues to prioritize maintaining a financially sustainable PSA level.
- Proposed 2027 PSA aligned to projected ISC income.

Provisional 2027 PSA proportion by Department



- Efforts to safeguard Country Offices and operational support
- Departmental budgets reduced by 5% overall with some departments reduced by 9% and others with no reductions compared to 2026
- Regional office budget within the DED & COO Department
- OIG and OEV (in the ED & CoS Dept.) budgets are aligned to the overall PSA departmental reduction of 5%.
- Central appropriations relatively inflexible, but some success in reducing budgets of UN Jointly Financed Activities and other reductions

Q&A

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USE OF PSAEA AND GENERAL FUND

Strategic Investments

World Food Programme

PSAEA and General Fund balances and proposed use in 2027 *(USD M)*

	PSAEA	UGF	Total
Budgetary Balance at 1 Jan 2027	**275**	**407**	**682**
PSAEA Target / UGF Prudent Balance	158	150	308
Projected availability	**117**	**257**	**374**

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
2026	70	25	75	$25m CO safety net; $22m EDMF, $20m Individual fundraising; $8m wellness ; ($97m – repurpose EBF for workforce mgt)

For EB's approval

Proposed use in 2027	
IRA	**30**
CO Safety Net	**15**
Individual Fundraising	**20**
Funding Access Facility	**15**
CCIs	**27**
Wellness Fund	**2**
Total	**109**

For EB's approval

IRA Transfer and Resourcing Target

IRA Transfer

UGF **proposed use** of USD 30 million for the Immediate Response Account

IRA resourcing target

Annual **resourcing target** proposal to be kept at USD 400 million, same as 2026

Country Office Safety Net

For EB's approval

USD 15 million from UGF to support Country Offices in adapting to reduced funding levels

- Continue to assist country offices as they adjust to reduced resourcing levels while maintaining programme quality, compliance, and effective targeting.
- Cover unforeseen and exigent costs arising at the country office level, including costs associated with employee relocation and evacuation in response to rapidly changing security situations or security incidents.
- Contribution to CSP to cover statutory obligations such as for evaluations.

Individual Fundraising Model

For EB's approval

From the UGF - Third tranche of **USD 20 million** of the overall USD 100 million investment 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 2027 will continue to 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 volume of flexible funding for WFP.

Funding Access Facility

For EB's approval

USD 15 million from UGF to avail timely and flexible funding to unlock high-impact & high-return innovative resourcing opportunities

- Creation of a fund to support Country Offices develop innovative financing opportunities such as debt swaps, blended financing, co-financing, and catastrophe bonds covering drought risk.
- Bridges a critical "first-mile" financing gap by funding co-financing, premiums, project structuring, transaction costs, etc.
- Unlocking financing that requires upfront commitment.

Wellness Fund

For EB's approval

USD 2 million from PSAEA 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

- The Wellness Fund supports the operationalization of the WFP Wellness Strategy for 2025–2030 and the timely and context-specific delivery of wellness services to WFP teams operating in high-risk and resource-constrained duty stations.
- WFP's frontline role in responding to the humanitarian crisis caused by the outbreak of Ebola Bundibugyo virus in 2026 has called for extraordinary wellness support to protect WFP personnel and partners on the ground, dramatically increasing the demands on the fund in 2026 limiting WFP's ability to support other initiatives in other duty stations.
- Endorse a replenishment of USD 2 M to the Wellness Fund from the PSAEA reserve to ensure the continuity, scale and timely delivery of wellness and duty of care services.

Critical Corporate Initiatives in 2027 - USD 27 million from PSAEA

CCI Name	CCI timeframe (years)	Total multi-year approved allocation	2027 approved budget*	Request for new allocation	Management Results
Ongoing CCIs					
IPSAS implementation *(extension)*	2025-2027	5.1	0.8	**4.4**	**MR1**
Positioning WFP to unlock diverse funding	2025-2027	5.1	1.3	**-**	**MR3**
Implementation of global shared services strategy	2026-2028	10.0	4.8	**-**	**MR2 & MR3**
WFP digital business transformation plan	2026-2028	60.0	26.7	**10.0**	**MR2**
New proposed CCIs					
WFP's leadership in integrated supply chains and common services under UN80	2027-2028	-	-	**7.2**	**MR1, MR2 & MR3**
Scaling innovative finance for WFP delivery and impact	2027-2028	-	-	**2.7**	**MR2 & MR3**
Upskilling country offices in fundraising and partnerships	2027-2028	-	-	**2.6**	**MR3**
TOTAL		**80.2**	**33.6**	**26.9**	

*Approved through previous MPs, includes projected 2026 closing balances

Additional top-up allocations to existing CCIs

For EB's approval

USD 14.4 million for 2027

WFP digital business transformation plan

Expanding the scope of the initiative with an allocation of an additional **USD 10 million** for inclusion of a new deliverable on AI

IPSAS Implementation

Extension of the CCI into 2027 with an additional allocation of **USD 4.4 million** to ensure the completion, integration, and institutionalization of new standards in the corporate systems and across relevant functions

Proposed new Critical Corporate Initiatives

For EB's approval

USD 12.5 million for 2027-2028

Advancing UN system transformation: WFP's leadership in integrated supply chains and common services under UN80
USD 7.2 million for 2027-2028

The CCI aims at positioning WFP at the center of UN80 and the Humanitarian Reset by strengthening system-wide efficiency and effectiveness through integrated supply chains, cash leadership, identity assurance, consolidated back-office functions, and expanded common services.

Scaling innovative finance for WFP delivery and impact
USD 2.7 million for 2027-2028

The investment will strengthen WFP's innovative finance capabilities, enabling the development and delivery of financing solutions for Country Office operations.

Upskilling country offices in fundraising and partnerships
USD 2.6 million for 2027-2028

By building scalable fundraising and partnership capabilities, the investment will enhance Country Office-led resource mobilization, facilitate faster delivery of the Resource Mobilization Strategy, and lessen dependence on centralized support.

NEXT STEPS

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Next key dates for the Management Plan process

- **May 6** – EB informal briefing
- **Jul 27** – 1st informal consultation
- **Aug 26** – MP “extracts” posted on EB website (in English)
- **Sept 10** – 2nd informal consultation
- **Late Sept/ Early Oct** – Advisory Committee on Administrative & Budgetary Questions (ACABQ)
- **Oct 19** – Posting of full MP in all languages on EB website
- **Nov 2–4** – FAO Finance Committee
- **Nov 16** – EB Second regular session – MP approval


Q&A
THANK YOU
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