

برنامج  
الأغذية  
العالمي



Programme  
Alimentaire  
Mondial

World  
Food  
Programme

Programa  
Mundial  
de Alimentos

**Executive Board  
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# RESOURCE, FINANCIAL AND BUDGETARY MATTERS

Agenda item 6

*For information\**



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## INFORMATION NOTE

### **Additional Information on the Third Update on the WFP Management Plan (2008–2009)**

During its discussions on the “Update on the WFP Management Plan 2008–2009” at its Second Regular Session of 2008, the Executive Board asked the Secretariat to provide further rationale for priorities and posts. A document providing such information was circulated to the WFP membership on 16 December 2008. As requested by the membership at an informal consultation on the fourth update on the Management Plan on 16 January 2009, the document is now submitted to the First Regular Session of 2009.

\* In accordance with the Executive Board’s decisions on governance, approved at the Annual and Third Regular Sessions, 2000, items for information should not be discussed unless a Board member specifically requests it, well in advance of the meeting, and the Chair accepts the request on the grounds that it is a proper use of the Board’s time.

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## BACKGROUND

1. Following consideration of the “Update on the Management Plan 2008–2009” during its Second Regular Session of 2008 (WFP/EB.2/2008/5-A/1), the Executive Board approved an additional Programme Support and Administrative (PSA) appropriation of US\$66.1 million and “asked the Secretariat to provide further rationale for [the] priorities and posts.”
2. This document seeks to address this request, providing additional information on specific aspects of the latest PSA appropriation and outlining additional context for the PSA proposal, including direct support cost (DSC)-funded posts and 2006–2007 comparative numbers.
3. The Update on the WFP Management Plan 2008–2009 approved in October 2008 was developed against the backdrop of two moving pieces:
  - First, we were taking decisions that were beginning to make adjustments to ensure our operations were aligning to the WFP Strategic Plan (2008–2011) approved in June.
  - Second, we were contending with the largest-ever scale-up of emergency food assistance – adding 20 million beneficiaries to our projected programme of work in less than a year. The devastating global food crisis, the cyclone in Myanmar, crippling drought in the Horn of Africa, new hunger needs in the Democratic People’s Republic of Korea (DPRK) and other emergencies all contributed to this urgent scale-up of beneficiaries.
4. As is well known, under WFP’s funding structure, funding for staffing needs rise and fall in accordance with the overall Programme of Work. Our funding nearly doubled to almost US\$4.8 billion, and our number of beneficiaries rose from 69 million projected beneficiaries to 89 million actual beneficiaries over the course of 2008. Our staffing structures, naturally, needed to adapt to that increase.
  - i) At the field level, under WFP’s funding structures, country offices expand and contract based on changing requirements. New needs led to substantive scale-up of emergency staff members in the field, including logistics, security, vulnerability analysis and mapping (VAM) and programme officers. Ninety-three percent of posts added since the original Management Plan approved in October 2007 are in the field.
  - ii) For Headquarters, under WFP’s rules of operation 7 percent of overall contributions can be allocated to PSA overhead. Under WFP’s projected funding level for the current biennium, up to US\$120 million extra could have been allocated to PSA posts and other support activities. Rather than allocate the full 7 percent to current overhead operations, management decided to be prudent and utilize a portion of that money to rebuild the PSA Equalization Account, which was substantially depleted from 2002 to 2007. The rest of the available overhead funding was utilized to forgo previously planned staffing cuts. The net result is that under the newly approved plan, the number of PSA posts in 2009 will be just 27 higher than in 2008, despite a 30 percent increase in operations. Under this approach WFP’s PSA overhead will be at 5.3 percent of projected funding levels, rather than at 7 percent.
5. This rebuilding of the PSA reserve adds US\$36.8 million to the PSA Equalization Account, bringing it up to an estimated US\$45.4 million by the end of 2009.



## REVISED BUDGET BREAKDOWN

6. Table 1 provides additional context for the October PSA proposal, comparing the total number of posts in the Update to the Management Plan (EB.2/2008) to the Management Plan (2008–2009) (approved at EB.2/2007) and the Management Plan (2006–2007) (approved at EB.2/2005).

<b>Table 1: Posts Funded by PSA and DSC</b>			
	<b>Management Plan 2006–2007 EB.2/2005</b>	<b>Management Plan 2008–2009 EB.2/2007</b>	<b>Revised 2008–2009 EB.2/2008</b>
Country Offices PSA	514.0	417.8	423.0
Country Offices DSC (Programme, Logistics, Needs Assessment, VAM, Finance, etc.)	7 220	7 074	8 511
<b>Country Offices (*)</b>	<b>7 734</b>	<b>7 492</b>	<b>8 934</b>
Regional Bureaux (**)	303.0	221.6	222.3
Programme Design and Support	46.0	56.5	74.0
Logistics Management	91.0	69.0	87.0
Office of COO	19.0	8.0	10.0
<b>Subtotal – Programme Support HQ</b>	<b>156.0</b>	<b>133.5</b>	<b>171.0</b>
Policy	53.0	13.0	25.0
Security & Management Services	57.0	65.0	69.0
Finance and Budget	92.0	73.0	84.0
Communications & Public Policy	31.0	30.0	43.0
Govt Donor Relations	65.0	57.0	66.5
External Relations	23.0	21.0	26.0
Office of ASG RE	5.0	6.0	4.0
Private Sector	15.0	2.0	2.0
EB Secretariat	22.0	22.0	22.0
ED's Office	35.0	28.0	34.0
Ombudsman	2.0	2.0	2.0
Evaluation	11.0	10.0	11.0
Oversight	30.0	28.0	31.0
Human resources	94.0	89.0	92.5
ICT	82.0	76.5	76.3
Legal	23.0	22.0	25.0
<b>Subtotal – Management Administration</b>	<b>640.0</b>	<b>544.5</b>	<b>613.3</b>
<b>SUB-TOTAL HQ</b>	<b>796.0</b>	<b>678.0</b>	<b>784.3</b>
<b>SUB-TOTAL PSA</b>	<b>1 613.0</b>	<b>1 317.4</b>	<b>1 429.6</b>
<b>GRAND TOTAL (PSA and DSC)</b>	<b>8 833.0</b>	<b>8 391.4</b>	<b>9 940.6</b>

(\*) These figures do not include any United Nation Volunteer or Consultants posts

(\*\*) Some DSC funded posts budgeted under Country Offices may be physically located in the Regional Bureaux. The Regional Bureaux only include PSA posts.



7. In total – when both DSC and PSA posts are considered – the revised budget proposal added 1,549 posts compared to the original Management Plan. Of these 1,443 (93 percent) are located in the field.

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## EMERGENCY BUILD-UP

8. As outlined in the background above, WFP's in-country surge capacity is funded through DSC. Direct support costs are generated through a rate applied to volumes of food delivered. An approved increase in beneficiary and project needs, which receive additional donor funds, automatically increases the DSC funds available to the project. These resources are used to fund the staff that will be involved in reaching beneficiaries through food assistance projects.
9. As indicated in the above table, WFP expects to have 8,511 DSC-funded posts on average in 2008–2009, compared with an original estimate of 7,074. This increase of 1,437 posts provides the field staffing capacity required to directly support the dramatic increase in the Programme of Work, and includes field-based employees in:
  - *Programme.* Programme staff in country offices are responsible for developing the food assistance strategies and designing the most appropriate food interventions in the country. The modalities of assistance and the types of activities are all designed by programme staff. Programme officers conduct needs assessment and some country offices have their own VAM and nutrition capacities. Programme staff also design rations, decide on commodity types and participate in monitoring and evaluation with support from the Regional Bureaux and Headquarters. A large operation such as the Sudan can have close to 200 programme officers funded from DSC.
  - *Logistics.* The logistics officers in the field coordinate the transport of food aid to beneficiaries. They include international and national logistics officers as along with local logistics assistants who coordinate contracts with transport companies and manage logistics corridors. They also perform functions such as vehicle fleet and store management and coordination with military authorities in conflict zones such as the Sudan. All of these functions are funded by DSC.
  - *Finance, Human Resources and Administration.* DSC-funded employees in country offices also perform all of the administrative and finance functions that keep the projects running. They are responsible for management of all staff contracts in the country, all project payments and administrative tasks ranging from facility management to vehicle maintenance.

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## PROGRAMME SUPPORT IN HEADQUARTERS

10. As outlined above, programme staff in the field perform a large variety of tasks, many of which require specialized knowledge in nutrition, VAM, needs assessment and targeting. While the DSC-funded posts in the field provide for programme officers to implement the food activities, they often need support from experts in each sub-area of programming. Teams from Headquarters are dispatched to the field to perform needs assessment, VAM or nutrition support and to provide capacity and expertise to country offices that have increased workloads. Programme support staff also design policies and guidelines in areas such as nutrition, protection, targeting and many other programme implementation issues, which can be used by programme officers in the field worldwide.



11. In addressing the increased workload from the dramatic increase in beneficiaries, it was decided that the priority for PSA staff increases would be the programme support functions in Headquarters. Due to resource constraints, the additional capacity was concentrated in Headquarters rather than replicated in each of the six regional bureaux so that each new position could provide global support.
12. Despite an overall reduction in PSA posts since 2006–2007, the number of PSA posts made available to those divisions with programme support functions under the revised budget (171 posts) is higher than in 2006–2007 (156 posts). These posts will:
  - support the implementation of the Strategic Plan by designing guidance in areas such as project cycles, prevention and recovery, nutrients, mother-and-child health and HIV/AIDS; increase VAM capacity;
  - support county offices in implementing new programme activities such as cash transfer and voucher programmes and focussing on nutrition and food quality issues;
  - enhance market analysis capacities and mainstream posts previously funded by the SENAC (Strengthening Emergency Needs Assessment Capacity) Trust Fund.

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## MANAGEMENT AND ADMINISTRATION

13. In contrast to programme support functions, the revised number of posts (613) for management and administration functions is 27 fewer than existed in Headquarters in 2006–2007 (640).
14. Despite these reductions, we have opted to build capacity in a few areas that had been underfunded over the preceding decade – particularly when compared with sister United Nations agencies or similar organizations.

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## COMMUNICATIONS

15. In this period of global economic turmoil, WFP has sought to shore up relations with stakeholders, from governments and private-sector donors to non-governmental organizations and the public at large. Communications are even more important now for ensuring that transparent, adequate information about the Programme is widely available. Internal communications and the web have been given priority in this Update to the Management Plan. Internal communications are critical to ensure that valuable information from the field not only gets to Headquarters, but arrives in a mode and form that allows it to inform policy and operational decisions at critical moments. The web allows for a cost-effective way to provide critical information about WFP's work to donors, policy-makers and governments around the world, along with the general public. It is becoming increasingly central to news dissemination as well as to fundraising.
16. The number of posts in the Communications and Public Policy Strategy Division (43 compared to 30 in the Management Plan (2008–2009), and 31 in the previous Management Plan 2006–2007) appears to be an increase of 13 posts. In fact, it is an increase of only seven posts: three posts were moved from donor relations to communications for consistency in reporting structures throughout WFP, while three are posted in other divisions.



17. Of the remaining seven posts, four are professional posts. Two of these are dedicated to web development and a third directs and streamlines internal communications, as discussed above. The fourth professional post and three support positions are dedicated to supporting WFP's mandate as a public institution and to responding to media requests, which have increased five-fold in the face of the global food crisis and high-profile operations.

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## DONOR RELATIONS AND FUNDRAISING

18. We have added 9.5 posts to the Government Donor Relations Division compared to the Management Plan (2008–2009), but only 1.5 posts compared to 2006–2007 levels.
19. It is expected that WFP's Programme of Work for 2008 will be almost 90 percent funded by the end of the year. This has been achieved despite a doubling of the cost of the Programme of Work and the considerable PSA reductions during 2008. However, the performance levels achieved by the Division during 2008 are not sustainable without a modest additional investment.
20. Funding the expanded Programme of Work requires strengthening current donor relationships, as well as exploring new opportunities for possible funding channels in growth areas such as the Middle East and BRIC (Brazil, Russian Federation, India and China) countries. It also calls for adapting to the changing nature of funding sources, which include common and vertical funds. The positions that were added include a Director for Middle East Fundraising, which will be devoted to exploring new funding avenues and maintaining existing relationships.
21. With the global food and financial crises, many donor governments and international institutions are leading extraordinary parliamentary sessions, forums and symposiums at which WFP has been asked to be an active participant. A World Bank Liaison post and a Policy and Communications Donor Relations Officer post based in Brussels will allow WFP to address these needs. The other posts include reinstatement of the Deputy Director in the Washington office, regularization of a junior professional officer, and support positions within the Division.

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## EXTERNAL RELATIONS

22. The External Relations Division has an increase of five posts compared to previously approved levels. This includes restoring two posts that were cut from 2006–2007, plus one post in the Geneva office, one in the New York Office, and a post that has since been transferred to Policy, Planning and Strategy Division.
23. The strengthening of this division is critical for the increased inter-governmental and inter-agency outreach and partnership collaboration necessary to enhance WFP engagement in promoting and contributing to the expanding United Nations system-wide coherence efforts and to provide guidance and support to United Nations coherence and "Delivering as One" processes at country level. This involves active participation in processes and inter-agency meetings pertaining to humanitarian and development activities. Various initiatives to accelerate the realization of the Millennium Development Goals, and new challenges such as the financial and food crises, including participation in the Secretary General's High-Level Task Force on the Global Food Crisis, are putting further demands on the capacity of WFP to support coordinated system-wide responses.



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## POLICY, PLANNING AND STRATEGY

24. The Policy, Planning and Strategy Division will add 12 posts. This is a decline of 28 posts compared to 2006–2007 levels. The division is focused on strategic analysis, policy development and innovative thinking and action that supports corporate strategic planning processes and the work of WFP field offices. The additional posts are primarily focused on building back the most crucial capacity removed due to budget constraints in the original Management Plan (2008–2009). They cover school feeding, food-market analysis, the International Food Aid Information System (INTERFAIS), HIV/AIDS, nutrition, humanitarian response strategies, capacity- building, climate change and policy advocacy. These additions will also help the Division address the strategic and policy demands for new tools and approaches for implementing the WFP Strategic Plan (2008–2011).

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## CONCLUSION

25. The dramatic escalation in WFP emergency and relief requirements doubled the cost of WFP's Programme and added 20 million beneficiaries in the year since the Management Plan 2008–2009 was originally approved. Since the Update was approved in October, we have added another 14 million beneficiaries, bringing the total number to 103 million.
26. This increase coincides with a 23 percent real reduction in PSA levels compared to 2006–2007. The combination of abnormally increased workload and reduced capacity was maintained in 2008 due exclusively to the extraordinary dedication of WFP staff worldwide, many of whom overworked throughout the year in response to the extraordinary needs.
27. The recently approved PSA posts do not re-instate all of the cut PSA capacity: revised PSA funded posts are 183 fewer than 2006–2007 levels, leaving WFP much leaner than in previous years. This conservative approach was taken to rebuild the depleted reserves in the PSA Equalization Account, putting WFP back into stronger financial grounds to face future challenges.
28. As requested by the Executive Board, and in line with past practice, the Secretariat will continue to review the Management Plan and will bring to the attention of the Board any developments that might require adjustments to it. Finally, WFP has been and will continue to use flexible contractual arrangements that allow the Programme to quickly expand or contract capacity in line with Management Plan adjustments, while maintaining gender and geographic balance.

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## ACRONYMS USED IN THE DOCUMENT

ASG	Assistant Secretary-General
BRIC	Brazil, Russian Federation, India and China
COO	Chief Operating Officer
DPRK	Democratic People's Republic of Korea
DSC	direct support cost
ICT	information and communications technology
INTERFAIS	International Food Aid Information System
PSA	Programme Support and Administrative
SENAC	Strengthening Emergency Needs Assessment Capacity
VAM	vulnerability analysis and mapping