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Second Regular Session**

Rome, 22–26 October 2007

POLICY ISSUES

Agenda item 4

UPDATE ON WFP POLICY ON ENGAGEMENT IN POVERTY REDUCTION STRATEGIES

*For information**

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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for information.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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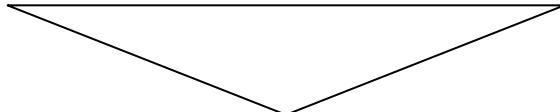
Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms C. Panlilio, Administrative Assistant, Conference Servicing Unit (tel.: 066513-2645).

* Strategy, Policy and Programme Support Division

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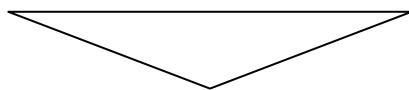


EXECUTIVE SUMMARY



This paper details steps taken by WFP to implement the 2006 “Policy on Engagement with Poverty Reduction Strategies” (WFP/EB.A/2006/5-B). It describes a guidance note on engagement by WFP country offices with Poverty Reduction Strategy Papers and the strategy adopted for enhancing country office capacity in this area, and the outcome of a collaboration by WFP and the Food and Agriculture Organization of the United Nations to support the work of the Government of Liberia to develop a food security and nutrition strategy as an input into the country’s Interim Poverty Reduction Strategy. Strategic issues arising from the first year of implementation of the policy are discussed.

DRAFT DECISION*



The Board takes note of “Update on WFP Policy on Engagement in Poverty Reduction Strategies” (WFP/EB.2/2007/4-E).

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document (document WFP/EB.2/2007/15) issued at the end of the session.



1. The WFP “Policy on Engagement with Poverty Reduction Strategies” (WFP/EB.A/2006/5-B) includes three recommendations for WFP to guide implementation:
 - i) prepare detailed guidance on engagement in poverty reduction strategy (PRS) processes;
 - ii) build the requisite staff capacity in country offices; and
 - iii) support governments in hunger-reduction programmes through capacity-building.
2. As requested by the Board, this paper details the ways in which WFP has responded to these recommendations.

THE GUIDANCE NOTE AND RELATED POLICY DIALOGUES

3. A paper entitled “Guidance Note on WFP Engagement in Poverty Reduction Strategies” has been developed and field tested. It is intended for use by WFP country offices participating in PRS processes and policy dialogues, or preparing to do so; it aims to be informative rather than prescriptive. The paper discusses ways of raising the profile of hunger, food insecurity and malnutrition in PRS documents and related sectoral strategies and:
 - i) introduces the PRS process and outlines its central elements;
 - ii) considers how WFP can participate at the various stages of the process and at various political levels;
 - iii) introduces the most common priorities for WFP in policy dialogues and lists basic arguments that can be used to advocate for the priorities;
 - iv) considers the role of partnerships of various kinds;
 - v) describes the options for country offices seeking support for engagement in PRS processes;
 - vi) considers the financial aspects of PRS processes, including financing of PRSs themselves and the financing of WFP engagement;
 - vii) highlights emerging issues related to the PRS process that WFP must address, including harmonization and alignment, cash transfer modalities, budget support, basket funding (or pooled funding) and sector-wide approaches (SWAPs); and
 - viii) provides a checklist for the main issues that a country office should consider when participating in the PRS process.
4. The guidelines have been posted on the online *Programme Guidance Manual*. Technical backup for country offices on specific topics has been provided by the Social Protection and Livelihoods Service (PDPS).



ENHANCING THE CAPACITIES OF COUNTRY OFFICES AND REGIONAL BUREAUX IN PRS ENGAGEMENT

5. The guidance note provided a foundation for enhancing capacities for PRS engagement by country offices and regional bureaux. The strategy is to build on field-based workshops to train WFP staff on PRS-related issues. The workshops aim to:
 - i) ensure participants' familiarity with the concepts and processes of PRS policy;
 - ii) propose strategies for WFP engagement in the processes;
 - iii) provide technical material to support the strategies; and
 - iv) enhance information sharing among country offices on PRS with countries at different stages in PRS development.
6. The first few of these workshops will be pilots to test the training methods and materials and adjust them on the basis of experience.
7. PDPS held the first workshop in Cairo on 15-17 May 2007 for the Middle East, Central Asia and Eastern Europe Regional Bureau (ODC), with representatives from anglophone countries in the West Africa Regional Bureau (ODD). The workshop addressed the following:
 - i) United Nations reform, the Paris Declaration and alignment and harmonization;
 - ii) the phases of the PRS process and WFP's potential role in each phase;
 - iii) capacity development as an objective of WFP engagement in PRS processes;
 - iv) WFP entry points in policy dialogue, focusing on nutrition, food security, social protection and disaster risk reduction;
 - v) case studies from Egypt, Sierra Leone and Yemen illustrating WFP engagement in PRS processes;
 - vi) partnerships in the context of PRS;
 - vii) financing for PRS, financing WFP's engagement in the PRS and other significant issues; and
 - viii) seeking support in PRS engagement.
8. The discussions yielded several recommendations regarding WFP's aim to establish itself as a credible actor in PRS and other development policy processes. Most recommendations arose out of the recognition that the ability of country offices to engage in high-level policy debate must be developed.
9. Additional workshops are planned, building on the same concept but benefiting from the lessons learned and including new tools suggested during the first capacity-building event. The PRS guidance note will be further developed to address subjects raised during the workshop.



Collaboration by WFP and the Food and Agriculture Organization of the United Nations in developing the Liberia Food Security and Nutrition Strategy

10. In mid-2006, WFP and the Food and Agriculture Organization of the United Nations (FAO) identified as a promising area for collaboration joint support for national efforts to develop and implement Poverty Reduction Strategies. Liberia's work to develop policies and institutions to sustain recovery offered a window of opportunity to influence the inclusion of issues of agriculture, rural development and food and nutrition security. The Government's work to develop a Food Security and Nutrition Strategy (FSNS) was particularly promising in that it would inform preparation and implementation of the country's Interim Poverty Reduction Strategy (I-PRS).
11. WFP and FAO country offices, working with Rome-based counterparts, agreed with the Government that the International Food Policy Research Institute (IFPRI) would provide technical support for development of the FSNS. Following three months of technical work and consultation with public, private and civil society actors, the FSNS was developed and submitted to the Ministry of Agriculture for discussion and adoption by the Cabinet with a view to launch in late 2007. The United Nations country team is now using FSNS to develop action plans and projects to support food security and nutrition aspects of I-PRS.

Implications

12. The first year of implementation of the policy on PRS engagement confirms that the investments in capacity enhancement described above are vital. However, it is clear that these investments are unlikely to be sufficient to fill needs at the country level for WFP's country offices or for partner governments. Given WFP's operational character, few country offices can afford to commit staff to the full range of PRS engagement activities; and few country offices have enough staff with sufficient experience and ability to analyse and negotiate in food security and development policy debates with governments, donors, other United Nations agencies and non-governmental organizations (NGOs). WFP and its country offices face a dilemma between building intellectual capacity versus strengthening operational skills that focus on delivery to the most vulnerable people; in most cases, the choice has been for the latter at the expense of the former, which has affected country offices' ability to contribute with depth and confidence in policy debates.
13. Ongoing United Nations reform adds urgency to the need to fill this capacity gap.



14. The first year of implementation of the policy on PRS engagement confirms that national strategies and institutions for food security, safety nets, social protection and disaster mitigation are areas to which WFP can contribute its expertise, particularly in (i) vulnerability analysis and mapping (VAM), (ii) needs assessment, (iii) contingency planning, (iv) food-based interventions for improved natural resource management, (v) food for education and (vi) cash-based food assistance programming. Ultimately, WFP must be in a position to demonstrate the impacts of food-assistance interventions on global and national objectives, especially Millennium Development Goal 1. This requires progress in:

- i) increasing awareness and shared understanding in WFP and with partners and stakeholders regarding qualitative aspects of WFP's livelihood and food security impacts in different contexts;
- ii) enhancing systems, methods, indicators and databases for quantifying and tracking these impacts in different contexts; and
- iii) increasing the capacity of country offices and regional bureaux to apply these for priority setting, planning, implementation, impact assessment and reporting.

15. Progress in these areas would enable WFP to ensure that food-security and nutrition issues are accorded high priority in PRS and other development policies and strategies. More country offices will need to include provision for PRS engagement in their budget plans for staff and consultants.

16. Given the link between capacity development and PRS engagement, WFP must align itself with developments in the United Nations system regarding methods and approaches in capacity development. The 2007 Triennial Comprehensive Programme Review (TCPR) report is particularly important in that it emphasizes the need for capacity-development strategies to be based on sound capacity assessments whereby United Nations agencies harmonize investments under a joint capacity-development plan. The work of the United Nations Development Group (UNDG) to develop toolkits for action on national capacity assessment and development and to link capacity development to poverty reduction and development strategies are also important in this context. WFP must remain engaged with this process as it evolves.



ACRONYMS USED IN THE DOCUMENT

FAO	Food and Agriculture Organization of the United Nations
FSNS	Food Security and Nutrition Strategy
IFPRI	International Food Policy Research Institute
I-PRS	Interim Poverty Reduction Strategy (Liberia)
NGO	non-governmental organization
ODC	Middle East, Central Asia and Eastern Europe Regional Bureau
ODD	West Africa Regional Bureau
PDP	Strategy, Policy and Programme Support Division
PDPS	Social Protection and Livelihoods Service
PRS	poverty reduction strategy
SWAP	sector-wide approach
TCPR	Triennial Comprehensive Programme Review
UNDG	United Nations Development Group
VAM	vulnerability analysis and mapping