

برنامج
الأغذية
العالمي



Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

**Executive Board
Annual Session**

Rome, 21 - 24 May 2001

FINANCIAL AND BUDGETARY MATTERS

Agenda item 5

For approval



Distribution: GENERAL

WFP/EB.A/2001/5-B/1

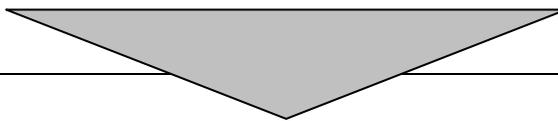
20 April 2001

ORIGINAL: ENGLISH

STRATEGIC AND FINANCIAL PLAN (2002–2005)

This document is printed in a limited number of copies. Executive Board documents are available on WFP's WEB site (http://www.wfp.org/eb_public/EB_Home.html).

Note to the Executive Board



This document is submitted for approval to the Executive Board.

The Strategic and Financial Plan 2002–2005 has been prepared under the primary responsibility of the Strategy and Policy Division (SP), in close collaboration with the Office of Budget (OEDB). Senior managers at Headquarters and in the field have been consulted and their comments incorporated in finalizing the document. A Steering Committee and Working Group have been responsible for supervising the process of planning the Strategic and Financial Plan under the overall guidance of the WFP Executive Staff.

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 members listed below, preferably well in advance of the Board session. This procedure is designed to facilitate the Board's consideration of the document in the plenary session.

The WFP focal points for this document are:

Director, SP:	Ms D. Spearman	tel.: 066513-2600
Director, OEDB:	Mr M. Usnick	tel.: 066513-2704
Strategic Planning Officer, SPS:	Mr J. Bailey	tel.: 066513-2398

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Supervisor, Meeting Servicing and Distribution Unit (tel.: 066513-2328).



Executive Summary

A Strategic and Financial Plan is submitted to the Executive Board for comment and approval every two years as required by General Rule VI.1. The content of this SFP complies with the General Rules, the advice of the Food and Agriculture Organization (FAO) Finance Committee and the Advisory Committee on Administrative and Budgetary Questions (ACABQ), and with the decisions of the Board on governance arrangements.

The governance arrangements will require the SFP to be a strategic document, directing the Programme by way of setting a goal and objectives, a strategy for achieving the goal and results-based indicators of progress for the planning period. These requirements have been included in this SFP in compliance with the Board's governance decisions, and in anticipation of the necessary amendments to the General Rules to be considered by the Board in 2001.

The goal for 2002–2005 is, “Excellence in providing food assistance that enables all planned beneficiaries of WFP relief activities to survive and maintain healthy nutritional status, and enabling the social and economic development of at least 30 million hungry people every year.”

The main objectives to attain this goal are:

In development:

- to have development activities that feed at least 30 million targeted hungry poor people annually;
- to have aligned all activities with the Enabling Development policy and guidelines by 2003; and
- to have results information (outputs and outcomes) for 100 percent of the development portfolio by 2005.

In emergency operations (EMOPs):

- to feed 100 percent of the hungry people targeted in approved EMOPs;
- to have designed phase-out strategies or PRROs as appropriate; and
- to have results information (outputs) for 100 percent of the EMOP portfolio by 2005.

In protracted relief and recovery operations (PRROs):

- to have fed 100 percent of the hungry people targeted by approved PRROs annually;
- for each PRRO, to have assessed the need for continued food assistance and designed (i) a phase-out strategy, (ii) a “graduation to development ” strategy, or (iii) a PRRO expansion as required; and
- to have results information (outputs and where possible outcomes) for 100 percent of the PRRO portfolio by 2005.

In Special Operations (SOs):

- to have designed and implemented an effective and cost-effective logistics and transport infrastructure repair or rehabilitation operation, whenever this is essential and viable, to



ensure that adequate food assistance reaches people targeted by WFP's approved EMOPs and/or PRROs; and

- to have provided a full-cost-recovery logistics and transport service to the international humanitarian community, on request, for the provision of non-food items for relief and recovery activities.

In support activities:

- to have provided the necessary outputs (goods and services) required to support the identification, design, appraisal, funding, financing, implementation, monitoring, evaluation, management and accountability of the activities undertaken in the four programme categories.

The Strategy (Section I) for achieving the goal is for WFP to build upon its progress in implementing the 2000–2003 SFP priorities (WFP/EB.A/99/5-A/1), address areas in need of strengthening and prepare for the projected opportunities and challenges that will arise. In implementing its mandate over 2002–2005, WFP will:

- ensure that its social-sector development work contributes to the Millennium Declaration follow-up;
- help mobilize, through advocacy, the necessary actors for reaching the World Food Summit target of halving the number of undernourished people;
- strengthen the safety of WFP staff and other humanitarian workers;
- contribute actively to the implementation of the Secretary-General's United Nations reform measures;
- maintain its strong capacity to respond to the increasing number and range of natural and man-made emergencies through the implementation of procedures that enable it to respond to multiple crises simultaneously;
- review its PRROs and propose strengthening measures, as necessary;
- review its Special Operations to determine their best future role and scope;
- increase efforts to boost funding for development and ensure that the Enabling Development policy implementation is completed on time. In addition:
 - ◇ identify ways of assisting hungry poor victims of HIV/AIDS, especially AIDS orphans and communities devastated by the pandemic;
 - ◇ expand assistance to school feeding;
- further reinforce gender-sensitive development through the implementation of a strengthened phase of gender mainstreaming;
- continue the emphasis on the nutritional needs of its beneficiaries through pilot studies in micronutrient provision, such as through blended foods:
 - ◇ focus nutrition training for staff and partners on large-scale emergencies, and train key staff for maximum impact;
 - ◇ promote the adoption of best practices and harmonize nutritional approaches to programming with other United Nations agencies, the Administrative Committee on Coordination (ACC) Sub-Committee on Nutrition (SCN), and non-governmental organizations (NGOs).
- strengthen its strategic partnerships:



- ◇ with organizations able to bring financial resources to joint activities;
- ◇ with NGOs, both in emergencies and development activities;
- ◇ with technical institutions, such as FAO, WHO and the International Labour Organization (ILO), and increase the use of universities and research institutions for the provision of technical advice;
- ◇ with all partners to build long-lasting community infrastructure;
- continue the generation of knowledge about the hungry poor and their livelihoods through vulnerability analysis and mapping (VAM):
 - ◇ ensuring a cost-effective approach, including the development of inexpensive and sustainable national facilities to be handed over to local institutions; and
- utilize its new Indefinite Appointment category, staff profiling and training programmes to optimize the staff profile and continue its good progress towards the target of 50 percent of International Professional Staff being women.

WFP's programmes can be implemented and the strategies employed only if sufficient resources are mobilized and costs kept to a minimum. It is projected that resources for development will continue at about the present level (US\$318 million per year) throughout 2002–2005 and that contributions for emergency and relief and recovery operations will vary with need, but will average at about the current level of US\$1.059 billion per year. An indirect support cost (ISC) recovery rate of 7.8 percent on direct operational costs (DOCs) would fund a Programme Support and Administrative (PSA) Budget of about US\$214 million in 2002–2003. All WFP managers will work to maximize cost-effectiveness throughout the organization, and current cost-minimization measures, such as shipping self-insurance and self-chartering of ships, will be maintained and enhanced where possible. The Resource Mobilization Strategy approved by the Executive Board in 2000 will be implemented to improve the predictability, security and flexibility of contributions to WFP as a voluntarily funded programme.

The governance arrangements approved by the Executive Board in 2000 are to begin to be put in place according to a schedule that will see them fully implemented by the end of 2004. These arrangements depend on and support the gradual introduction of aspects of results-based management (RBM) throughout the Programme. RBM is expected to assist WFP in achieving many of the quality improvements in, and demonstrating the results of, the WFP field activities encompassed by the strategies described in this SFP, through providing precise feedback on results achieved. RBM will also assist resource mobilization by providing demonstrable results. WFP's progress in implementing RBM and the Programme's strategy for further development of its approach will be presented to the Board in 2001.

The success of the Strategy will be shown by WFP's performance against the objectives and indicators (Section II), which are organized by programme category and support activities. The indicators have been selected to give a comprehensive annual picture of the Programme's performance, including the areas emphasized in the Strategy. These indicators are few in number and basic, to make data collection as simple and as low cost as possible. A more complex set of indicators will have considerable cost implications. How the objectives relate to WFP's work can be seen in the WFP Results Framework in Annex I. That diagram represents a global view of the work of WFP so that different levels of results can be readily identified.

Annex II contains tables that show: estimated projected resources, and sources and utilization of funds. High, low, and medium resourcing scenarios are provided, with the medium scenario being used as the basis for calculations. The figures provided in these tables

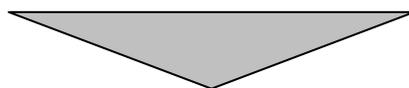


constitute the basis for the resourcing estimates contained in the Strategy section.

Annex III of this SFP summarizes the progress made in implementing the strategy approved in the SFP 2000–2003 (WFP/EB.A/99/5-A/1). In the first 15 months of implementation, progress has been satisfactory. Most elements of the ten priorities have been completed, and others are on track for completion by 2003. Where there are aspects requiring further attention, these have been incorporated in the Strategy for 2002–2005. The 2000–2003 priorities will be superseded by the objectives of the SFP 2002–2005, once approved. Future reporting of progress will be by way of the indicators for 2002–2005. Annex IV contains the Vision and Mission Statement, which provide the overarching direction of the Programme within which the Strategy for 2002–2005 is set.

In future biennia, the Budget and Management Plan document will build upon the Strategy. The first Budget and Management Plan is not required to be submitted to the Executive Board until 2003. However, in 2002, WFP will submit an outline Management Plan to the Executive Board's Bureau for comment and guidance so that the structure and content of the Plan in 2003 will meet the Board's needs.

Draft Decision



The Executive Director requests that the Board comment on the Strategic and Financial Plan 2002–2005 (WFP/EB.A/5-B/1), and recommends that it approve the Plan's implementation.



Contents

	Page
INTRODUCTION	9
	Paragraphs
I. WFP'S STRATEGY 2002–2005	1–82
INTRODUCTION	1–5
GLOBAL ENVIRONMENT	6–18
Globalization	6–10
Advocacy	11–13
Staff Security	14–16
United Nations Reform	17–18
WFP PROGRAMME ISSUES	19–65
Emergency Operations	19–25
Protracted Relief and Recovery Operations	26–28
Special Operations	29–30
Development Programmes and Projects	31–40
Gender	41–42
Nutrition	43–48
Partnerships	49–57
Knowledge Base	58–59
Human Resources	60–65
RESOURCING AND COST ISSUES	66–75
Resources Projections	66–71
Cost Effectiveness	72–73
Resources Mobilization	74–75
GOVERNANCE AND DEMONSTRATING RESULTS	76–82
II. WFP'S GOAL, OBJECTIVES AND INDICATORS	83–86
THE GOAL FOR 2002–2005	86
	Page
ANNEXES	
I. WFP Results Framework	34
II. Resource Projections and Utilization	35
III. Progress in Implementing the SFP 2000–2003 Priorities	38
IV. WFP Vision and Mission Statement	47





Introduction

The purpose of the WFP Strategic and Financial Plan is to set the Programme's direction, outline the actions required to take that direction and project how these actions will be funded.

A Strategic and Financial Plan for a rolling four-year period is submitted to the Executive Board for comment and approval every two years as required by General Rule VI.1. The content of this SFP complies with the General Rules, the advice of the FAO Finance Committee (WFP/EB.A/99/5-A/2) and ACABQ (WFP/EB.A/99/5-A/3), and with the decisions of the Board on governance arrangements (2000/EB.A/6 and 2000/EB.3/1). The governance decisions require the SFP to be transformed into a "Strategic Plan" that is more strategic, directing the Programme by way of setting a goal and objectives, a strategy to achieve the goal, and results-based indicators of progress.

To implement the governance decisions fully, the General Rules need to be amended, and this is in the Board's work programme for 2001. The name "Strategic and Financial Plan" and the required contents, therefore, have been retained for the SFP 2002–2005, to meet the current Rules. The results-based indicators have been added in anticipation of the amendments to the Rules. Subject to approval of the necessary amendments, the SFP will be named the "Strategic Plan" from its next submission to the Board in 2003, and it will then be fully consistent with the Board's governance decisions and guidance.

This is the first time that WFP has included indicators that are intended to provide an annual picture of the Programme's achievements by way of key pieces of information (see Section II, WFP's Goal, Objectives and Indicators for Programme Categories 2002- 2005). These indicators are few in number and basic, to make data collection as simple and low cost as possible. A more complex set of indicators will have considerable cost implications.

Several elements of the Strategy 2002–2005 were envisaged in WFP's Organizational Change Initiative (OCI), begun in 1996. The OCI had as its goals: keeping the field at the centre of WFP; letting the managers manage; leadership; teamwork; strategic thinking; communication; and flexibility and adaptability. Implementation has been a continuous process since 1996, and this SFP contributes to its further advancement. Starting in 2001, WFP will evaluate the OCI through a series of focused evaluation studies that will assess its success and the costs and benefits of substantial investments, and recommend further actions for achieving the remaining goals.

This document describes expected key opportunities and challenges incorporated in WFP's Strategy for 2002–2005 (Section I). Successful implementation of the Strategy will be evident in the performance of WFP's programme categories and support activities. Section II provides the goal, objectives and indicators by which to measure WFP's results in terms of benefits to the hungry. The annexes contain a diagram showing the overall Results Framework for WFP, Resource Projections and Utilization, the progress made in implementing the SFP 2000–2003 priorities by March 2001, and the WFP Vision and Mission Statement.





WFP's Strategy 2002–2005

INTRODUCTION

1. Over the next four years, WFP must continue to find ways, in partnership with others, to mobilize the will, resources and actions of the international community to reduce hunger and accelerate progress towards food security and growth. This Strategic and Financial Plan (2002–2005) proposes strategies for taking advantage of the expected opportunities and overcoming constraints in order to: strengthen WFP's capacity, increase the number of hungry people it can assist and promote tangible support from all actors for the alleviation of poverty and hunger.
2. WFP's Mission Statement and its Vision (Annex IV) direct the Programme to provide food aid to hungry people to enable their development and enable them to cope with periods of hunger caused by crises in their lives. This is a huge task, as there are currently estimated to be 830 million undernourished people, and crises caused by natural and man-made disasters are frequent. Despite substantial efforts, the international community is making only slow progress towards halving the number of undernourished people by 2015, the target set at the World Food Summit in 1996.
3. Both the Summit commitment, and WFP's Vision—"A world in which every man, woman and child has access at all times to the food needed for an active and healthy life"—can be achieved only by the concerted efforts of many actors. Governments need to create favourable policy environments, market conditions and land tenure arrangements. International financial institutions (IFIs) and governments need to provide the financial resources. Civil society, international NGOs and development and humanitarian agencies need to work with the hungry to identify their priorities and needs for relief and development, ensuring well-designed, sharply focused, effective and efficient assistance. Research institutions and think tanks need to examine the factors and inter-relationships that cause and maintain hunger, guiding the agenda and emphases of governments and operational agencies. Coordination of the efforts of these actors is essential to ensuring complementarity and synergy, timeliness and efficiency.
4. WFP's role is crucial to achieving an end to hunger. As the world's largest food aid agency, it should provide a model for the use of food to alleviate hunger in emergency and protracted relief, and to progress from meeting immediate basic needs to establishing food security and social and economic development. WFP Special Operations must provide the logistical support needed to move large quantities of food and other humanitarian assistance. WFP's Enabling Development policy has concentrated food aid development assistance on the people and the sub-sectors where the lack of food is a serious constraint on development. WFP's advocacy work is targeted to key decision-makers in order to bring to their attention the need for policy and budgetary decisions and sustained action dedicated to the alleviation of poverty and increased food security for the hungry. Its commitments to the role of women as the promoters and enablers of family relief from hunger, not only represent good food-assistance practice but are also concrete contributions to women's equality.



5. The 2002–2005 Strategy has as its goal excellence in assistance to the hungry people for whom food aid is essential. This means maximizing the number of people assisted and the quantity and quality of the positive changes they are enabled to make to their lives. To achieve this, the Strategy is to ensure that all aspects of WFP's field and support activities perform strongly and cohesively, taking advantage of the Programme's opportunities and strengths and addressing the challenges to WFP and the areas of the organization in need of attention, to enable the Programme to better serve the hungry. The key opportunities, challenges and WFP's strategies are described below.

GLOBAL ENVIRONMENT

Globalization

6. Among the external opportunities is the movement not only of United Nations but also of World Bank and donor programmes towards a stronger focus on poverty alleviation. While WFP has consistently focused on directly assisting the very poor, others with greater resources and considerable influence are now recognizing that poverty alleviation requires direct assistance, safety nets and coordinated efforts as well as macro-level policy reform, trade liberalization and economic growth.
7. In its Development Report entitled, "Attacking Poverty", the World Bank demonstrates a significant shift towards WFP's perspective on poverty alleviation. While the importance of food insecurity itself is not sufficiently recognized in the report, the overall emphasis on empowerment and assistance to the world's poorest people is welcome. This emphasis on poverty alleviation is particularly relevant in the context of increasing globalization, whose consequences for the poor are still unclear.
8. Globalized trade, investment, technology and communication will have society-wide benefits. However, poor undernourished and uneducated populations are unlikely to see such benefits in the short term. Within its mandate, WFP will help these people share in the benefits of globalization by enhancing their nutritional status, their ability to attain food security and their access to development opportunities. Particular emphasis will be placed on working with civil society for the greater empowerment of communities, NGOs and individuals.
9. One of the main international fora for discussion of globalization are the meetings of the World Trade Organization (WTO). In the 1994 Uruguay Round of negotiations on agriculture, there was a non-binding agreement called the Marrakech decision. This agreement identified actions to be undertaken to ensure that the availability of food aid to meet food needs in developing countries would not be adversely affected by the results of the trade agreements. This was of particular concern to least developed and net-food-importing developing countries.
10. The Marrakech decision is currently being discussed at the WTO council as an implementation issue arising from the trade agreements. Many countries are concerned with making the decision more operational, and examining its current non-binding status. WFP will follow and participate in these discussions, since the way in which the decision is carried out will have an impact on the level of food aid and the appropriate means for making food aid available to least developed countries (LDCs) and low-income, food-deficit countries (LIFDCs). The Programme will advocate for multilateral project food aid.



Advocacy

11. Clearly WFP's Vision cannot be accomplished by WFP alone, and therefore the Programme must mobilize the resources and energies of others working in development and relief in the fight against hunger.
12. Over the past several years, WFP has achieved greater visibility and influence in the international development and relief community. The Programme has access to governments, extensive media coverage and a strong voice within the United Nations system. This is exemplified by the lead it has taken in ensuring humanitarian workers' security and by the Executive Director's appointment as the United Nations Secretary-General's Special Envoy to the Horn of Africa. Using its stronger profile, WFP will expand its efforts to persuade key decision-makers to take action to end hunger, and to raise public awareness of hunger and nutritional issues. WFP's recent experience in India, Pakistan and Mozambique shows how regular dialogue with national governments opens the door for the Programme to speak on behalf of the hungry poor and influence government thinking as policies and budgets are developed. WFP will provide governments with information on food security and its links with school feeding, health and other related issues. The Programme will also stand as a constant reminder of the needs of the hungry and a promoter of disaster preparedness and community empowerment.
13. Advocacy to influence local decision-makers to take action to end hunger; raise public awareness of hunger issues and WFP's role in overcoming hunger; and mobilize resources locally will be the responsibility of all country offices. Advocacy complements all of WFP's programmes and operations, and is as potentially important for improving the lives of the hungry as are field activities. Therefore, it must be an integral part of managing the Programme, and its relatively low financial cost and more substantial demands on staff will be an integral part of management budgets. As well as staff time, advocacy requires tools and a strategy specific to each country. Well-documented results achieved by WFP in field activities will become a widespread and valuable advocacy tool for use by each country office in implementing its advocacy strategy during 2002–2005.

Staff Security

14. WFP's advocacy for the safety of humanitarian workers has catalysed progress in developing a United Nations-wide security system. WFP staff, like those of other humanitarian organizations, often have to place their safety at risk to perform their work, particularly in situations of war and civil unrest. Maximizing staff security remains a major priority. Almost all of WFP's staff have been trained in security awareness, and physical security measures have been implemented for their safety. Training of new staff and further enhancements to WFP's physical security will be undertaken during the planned period. WFP and its sister agencies, NGOs and the United Nations must continue their efforts to improve the safety of humanitarian workers.
15. Under the Secretary-General's leadership to improve the security of United Nations staff, WFP will work with key partners such as the Office for Coordination of Humanitarian Affairs (OCHA), UNSECOORD, the Office of the United Nations High Commission for Refugees (UNHCR), UNICEF, and UNDP to develop a common approach to security in the field. Minimum security standards and security planning processes will be established and threat assessments conducted. Manuals, guidelines and training programmes will be developed. Through UNSECOORD, WFP will train its Country Directors in crisis management, as part of a programme for all in-country United Nations agency heads.



16. Governments must take two actions to help significantly in this effort. They must hold people accountable for the crimes they commit against humanitarian workers and provide the resources for a United Nations-wide security system. The General Assembly has decided to have operational agencies fund the field component of a United Nations security system through their project budgets. This will increase project costs and may set a precedent for the recovery of other United Nations System-wide common costs through project budgets. WFP hopes that the governments participating in the General Assembly will review this decision and take the responsibility for overall United Nations staff security, with each agency playing its own key role

United Nations Reform

17. WFP will continue to be actively involved both in the shaping of United Nations reform and in the implementation of the agreed-upon reform measures. However, United Nations activities are wide ranging, and not all of them are directly relevant to the mandate of WFP. WFP will therefore be selective in the measures it takes and the number of meetings in which it is represented to make its involvement as effective as possible and to make the best use of its staff time. The following issues are those that WFP will follow most closely, as they are of key strategic importance for the organization:

- **Millennium Declaration:** WFP will ensure that its social-sector development work contributes to the Declaration follow-up.
- **World Food Summit Five Years Later:** The WFSFYL will be held at FAO in 2001. It will review efforts made towards achieving the 1996 goal and guide the efforts of WFP and others to halve the number of undernourished people by 2015.
- **Special Session of the General Assembly on Children:** WFP will contribute to improvement in conditions for children globally through expanded school feeding operations; mother and child health activities; improved education and feeding programmes for children affected by emergencies; and actions to address the food security problems of HIV/AIDS orphans.
- **Beijing World Conference on Women +5:** WFP is developing a strategy for mainstreaming gender and empowering women based on a review of progress in achieving the targets set in WFP's Commitments to Women for 1996–2001, as well as the good practices and lessons learned.
- **Staff security:** WFP will establish a safe and secure working environment through the United Nations security management system.
- **Brahimi Report:** WFP will follow up on the report's recommendations on conflict prevention, protection of civilians in armed conflict and peace-building, and the new coordination and planning arrangements.
- **Inter-agency logistics coordination:** The United Nations Joint Logistics Centre, inter-agency logistics coordination, and common logistics and telecommunications service provision will be further developed.
- **Collaboration on emergency issues:** This involves work with UNHCR and OCHA to review the ways in which WFP works with these agencies in such areas as the link between relief and rehabilitation, the coordination of international humanitarian responses to complex emergencies and the re-settlement of refugees.
- **Natural disasters:** WFP will ensure improved inter-agency response and coordination.
- **IDPs:** WFP must develop further the interagency collaborative arrangements.



- **CCA/UNDAF:** Through undg, WFP will examine issues related to the process and harmonization of programmes, and through country office-to-country office relationships, advance implementation.
 - **HIV/AIDS:** WFP will ensure awareness of the relationship between HIV/AIDS, nutrition and food security and promote partnerships.
 - **Programme and policy coordination issues:** WF will work through the new Board of Chief Executives of the United Nations System (BCE) High-level Committee on Programmes (HLCP) to develop common approaches at the field level and the development and application of common programming instruments.
 - **Administrative management issues:** WFP will play an active role in the new BCE High-level Committee on Management (HLCM), which will focus on administrative management issues that require a system-wide response, with a view to improving services and productivity and increasing efficiency and effectiveness across the United Nations System.
18. Moving from external to internal issues, WFP will build upon its programming strengths and address aspects that require review in order to promote excellence in its field activities.

WFP PROGRAMME ISSUES

Emergency Operations

19. WFP's capacity to respond to emergencies is one of its core strengths. However, the diverse and shifting nature of emergencies requires that the Programme make continuous improvements to its emergency response capacity to remain at the forefront of humanitarian relief. As of March 2001, there were 46 EMOPs in 41 countries or regions, with a total resource requirement of 1.6 million tons of food (equivalent to about US\$800 million). In 2001, there are expected to be at least 43 million beneficiaries of assistance provided under EMOPs.
20. The number of emergencies requiring food aid assistance shows no sign of decreasing. Indeed, the recent report of the Intergovernmental Panel on Climate Change predicts that the effects of climate change will include a substantial increase in natural disasters. Losses from global warming are expected to be felt in ecosystems, agriculture, forestry, construction and transport. Natural disasters, including more frequent cyclones and hurricanes, could add further to the occurrence of devastating floods. Shifts in the world's weather patterns are expected to make droughts more frequent, widespread and severe. These changes will probably mean that more people will be displaced from their homes and livelihoods, and will have increased need of food aid assistance.
21. Providing assistance during a drought is very different from providing assistance in a war zone or in floods. Each emergency poses its own strategic and logistical problems, depending on whether it involves long lead times, as with droughts, or a rapid onset, as in floods and earthquakes; on whether WFP already has a presence in the country and therefore local knowledge and food resources on hand; and on the capacity of national and local governments, etc.
22. Complex emergencies involving multiple causes and problems often continue for years, sometimes providing limited opportunities for any assistance beyond relief. Emergencies arising from armed conflict pose additional difficulties. They are often protracted,



endanger humanitarian workers, and make planning, implementation and monitoring more difficult.

23. In contrast, most natural disasters require short-term, fast relief interventions, followed by a long period of recovery that requires rehabilitation and reconstruction assistance. Therefore, WFP needs flexible programmes to meet the needs of each individual emergency and its consequences.
24. WFP must have the necessary stand-by arrangements, equipment, staff and expertise to deal with any type of emergency. It needs to have the assessment methods, appeals formulation capacity and procedures in place to deal better with not only single emergencies but also regional crises and more than one emergency occurring at the same time. WFP undertook a study of its emergency preparedness and has developed a programme for strengthening measures, including emergency response training, to be introduced over the next four years. These measures will build upon currently successful and well-regarded procedures to provide an increased or improved capacity for assessing the needs of the affected people (including joint assessments with FAO and other agencies), and to support contingency planning, early warning and logistics. In improving procedures and developing operational guidelines WFP will draw upon accumulated experience and studies. Staff and management skills and tools will be enhanced through training. Stocks of communications equipment essential for a rapid field response will be established and efficient management systems for their deployment created. Food acquisition strategies and management tools will be developed. Both appeals and monitoring/reporting procedures will be reviewed, with partners and improvements introduced. These include the continued strengthening of the recent United Nations Joint Logistics Cell, which WFP will manage and which will facilitate joint needs assessments, planning and equipping of emergency operations.
25. Many disasters can be averted or reduced in severity through development assistance for disaster mitigation measures. Disaster mitigation is one of the five priority areas in WFP's Enabling Development policy. Nine of the CSOs and CPs approved by the Executive Board in 2000 included disaster mitigation activities. During 2002–2005, in areas subject to recurrent natural disasters, the number of countries incorporating disaster mitigation in their development activities will continue to increase. The link between development programming and more effective disaster response through preparedness and prevention activities will be reviewed, and appropriate measures incorporated into WFP's programmes. Contingency planning, one of the principal preparedness tools used by WFP, will be further refined, with differentiation among types of disasters.

Protracted Relief and Recovery Operations

26. Emergency operations often need to be followed by assistance for rehabilitation and recovery. PRROs were created in 1998 from the protracted relief operation (PRO) category to provide the flexibility of programming required to meet the changing needs of relief and recovery assistance in extended emergencies and their aftermath. Activities can be designed to provide continuing emergency relief only or to include options for recovery activities, giving donors the choice of what they support. As of March 2001, there were 33 PRROs covering 43 countries, with a total resource requirement of 1.26 million tons of food (equivalent to about US\$748 million). In 2001 there are expected to be at least 18 million beneficiaries of assistance provided under PRROs.
27. At the request of the Board at its Third Regular Session in 2000, a review of funding for PRROs was undertaken. The review found that the category generally enjoys solid support from donors. However, the positive resource situation in the aggregate (in 2000, PRROs



received 80 percent of resources required) masks some serious concerns, particularly regarding the timeliness and predictability of funding. In February 2001, the Board agreed that the Secretariat should proceed with the evaluation scheduled for 12 PRROs over the following two years, culminating in a thematic evaluation of the effectiveness of the new category in meeting its objectives. This will assist WFP in identifying additional measures and changes required to assist the millions of refugees and internally displaced persons (IDPs) who depend on WFP for food. WFP will also review potential impediments to donor funding for projects that may not fit wholly in either the emergency or development category.

28. The needs of IDPs continue to raise particular concerns. The current collaborative arrangements are not proving fully effective. The food assistance to IDPs is often not complemented with the non-food items essential for their well-being—such as shelter, basic health care and potable water—because the responsible agencies do not receive sufficient funding. Further work is required to maintain the nutritional status and basic needs of people displaced within their own national borders. WFP will work within the United Nations system to identify effective means of improving assistance to IDPs. As a minimum, the United Nations system should agree on the responsibilities of the Resident Coordinator or Humanitarian Coordinator for IDPs, and for implementing the needed aid through each involved agency.

Special Operations

29. Since 1997, Special Operations, which provide logistics services to WFP's and others' emergency and recovery operations, have increased in frequency, scope, duration and project value. In 2000, there were some 31 Special Operations, covering infrastructure support, air operations and multifaceted Special Operations providing inter-agency services, with an overall resourcing requirement of US\$80 million. This was seriously underfunded, as only 32 percent of funding requirements were received. At the same time, because of its strong reputation in logistics, WFP has increasingly been called upon by NGOs, donors and United Nations agencies to provide logistical support for non-food requirements of relief operations through SOs.
30. Special Operations will be reviewed with a special focus given to their increased number, their procedures and the expansion of their activities beyond their traditional role into joint logistics services on behalf of WFP's partners working in emergencies. A thematic evaluation of the SO programme category will focus on the way SOs are designed and implemented and will consider other operational issues. This evaluation, with recommendations as appropriate, will be considered by the Executive Board in 2002.

Development Programmes and Projects

31. WFP's Enabling Development policy evolved through an extensive consultative process with WFP's membership and experts. It concentrates WFP's development food aid assistance in five priority areas. These are: education and training, women and children's health, asset-creation, disaster mitigation and natural resource management. The policy also includes the strengthening of activity targeting, monitoring and partnership arrangements. A timetable for ensuring that all WFP development activities conform to the policy was approved by the Executive Board. Increasing support for development activities will be a major area of emphasis in 2002–2005, which is likely to be a critical period for WFP's development portfolio.
32. Development activities are the principal means by which WFP enables people who are hungry and poor to work towards sustainable food security, adequate nutrition and social



and economic development, thus promoting peaceful growth and reducing their vulnerability to natural or man-made disasters. As of March 2001, development programmes and projects were being implemented in 57 countries and had a total planned resource requirement of US\$302 million. If fully resourced, development activities will feed and directly enable the development of more than 23 million beneficiaries in 2001. These beneficiaries will be mostly women and children who will be empowered to acquire and control developmental assets. The activities will be largely in the social sector rather than in infrastructure development. School feeding activities are expected to expand significantly.

33. In 2000, the United States launched a School Feeding Initiative that gives children access to a school meal and promotes “Education for All”, the universal commitment in the Dakar Framework of 2000 and the Jomtien Declaration of 1990. In 2001, a portion of this initiative is being directed through WFP to 19 countries with underfunded WFP school feeding activities, and to an additional 4 countries subject to proposals being agreed upon by the Executive Board. This funding will enable WFP to expand its school feeding activities and thereby significantly assist in attracting, retaining and enhancing the attention and learning of schoolchildren, especially girls, thus contributing to their ability to take advantage of other development opportunities.
34. WFP’s management of the substantial new resources provided for school feeding will be crucial in its attracting broader support for these activities, as well as a highly visible measure of the Programme’s effectiveness as a development organization. The planning, monitoring, advocacy and reporting of results associated with school feeding will need to be of a high standard.
35. HIV/AIDS has become a major development constraint in many parts of the world, especially Africa. There is increasing evidence that nutrition can make a significant change in the ability of people to cope with the virus. WFP is studying how food aid interventions in all programme categories can best help individuals and communities whose nutrition and food security are threatened by HIV/AIDS. Once the study is complete, the Programme will address HIV/AIDS in ways consistent with its mandate and its Enabling Development policy by focusing on the links among food insecurity, malnutrition and the pandemic.
36. While it is difficult to give a precise, global number of hungry poor whose development could be assisted with WFP food aid, it is clear that a greater proportion of the 830 million undernourished people could be helped if the resources were available. Yet contributions to WFP’s development activities, other than school feeding, continue to decline. If this continues it may be that in the not too distant future WFP will not have a viable level of resources for it to remain in development. This will have extremely negative consequences for the people WFP assists in development and for WFP’s other programme categories, as the links among development, disaster mitigation, post-conflict or post-disaster response time and peacekeeping are increasingly evident. Therefore, it is critical that WFP’s resource mobilization activities emphasize this need.
37. Development activities not only are WFP’s major contribution to achieving the World Food Summit commitment, but they also help prevent emergencies by mitigating potential disasters and strengthening people’s coping mechanisms. They provide the foundation for WFP’s rapid and effective response to emergencies, a foundation that comprises: (i) a sound knowledge of the lives of the poorest people, the country, government systems and personnel and the representatives of other organizations in country; (ii) in-country food stocks, and ships with development programme commodities able to be diverted to meet sudden emergency needs; (iii) development activity infrastructure in place for food



distribution and monitoring, including food stocks, warehouses, offices, communications equipment and food tracking systems; and (iv) a nucleus of experienced staff in country and in nearby regional offices. This strong basis for rapid emergency response is clearly jeopardized by the possibility of declining resources for WFP's development programme.

38. Even at the current resource level, development faces significant difficulties, particularly for country offices with small programmes, which are mostly in LDCs. These are finding it hard to meet the direct support costs (DSCs) of the quality improvements they are making to their programmes because of the low level of DSC funding available to small-tonnage programmes. Some 16 country offices have small programmes. If contributions do not permit these programmes to be increased to a viable size, the country offices may need to be closed and/or the programmes administered from neighbouring countries or regional offices. This may exacerbate monitoring difficulties in controlling post-cost, insurance and freight (c.i.f.) losses and retaining the knowledge base and conditions that enable emergency responses. It may also reduce assistance to countries with the greatest need. In the short term, quality improvement start-up costs, which are probably greater than ongoing maintenance costs, are met from DSC, augmented by special quality improvement funds provided by donors and administered by WFP Headquarters.
39. It may be possible for WFP to mitigate some of the difficulties with DSC by reviewing how the Programme is internally managing the allocation of direct support cost funding. Increased contributions to small programmes will be required for long-term viability, and WFP will review the options for achieving this increase.
40. Throughout 2002–2005, WFP will work to mobilize resources to increase the number of development beneficiaries from 22 million in 2000 to at least 30 million per year. It will establish means for the collection and demonstration of the results it achieves to encourage increased donor support, provide greater accountability, facilitate cost and activity management, and facilitate advocacy for a conducive policy environment. WFP will ensure that activities are targeted, designed and implemented according to the Enabling Development policy. Thus each activity will be linked to its country's UNDAF, and planned and implemented in partnership with organizations able to provide further development opportunities.

Gender

41. Gender sensitivity is required in all of WFP's activities: EMOPs, PRROs, SOs and development activities. WFP sees women as the major positive force in alleviating hunger because women ensure that food assistance is used for its primary function of meeting the nutritional needs of the family. Where women have control of their families' food assistance, or help guide policies and procedures through their leadership in decision-making committees and advisory groups, they not only make that food assistance more effective, but they also become empowered to play more influential roles in their communities generally. WFP's increasing emphasis on development activities in the social sector will make it easier for the Programme to promote gender considerations, particularly the empowerment of women.
42. WFP's Beijing Commitments have helped guide the current phase of WFP's efforts to mainstream gender concerns. While not all of the Commitments have been fully achieved, they remain an integral part of the next phase of WFP's gender mainstreaming. That phase will emphasize gender sensitivity in the assessment, identification and design of activities so that it becomes a central element in activity design rather than an addition in the course of implementation. The needs of women will be identified and activities designed to meet



them. This will require greater use of participatory tools and techniques. An evaluation of WFP's gender mainstreaming will be conducted and will form the basis for a gender strategy paper to be presented to the Executive Board in 2002.

Nutrition

43. Women and children especially are likely to be adversely affected by micronutrient deficiencies. Approximately two billion people worldwide suffer from some kind of micronutrient deficiency, particularly vitamin-A, iron and iodine deficiencies. These cause a wide array of disorders and increase the risk of death, disease and disability. WFP will do its utmost to help ensure that the full nutritional needs of these beneficiaries are met.
44. Throughout the developing world, substantial parts of the population do not reach their physical and intellectual potential because of chronic childhood malnutrition. To respond to this, WFP promotes the production and use of low-cost blended and weaning foods for its development programmes. Because of its nutritional value and versatility of use, blended food plays a vital nutritional role also in emergency operations.
45. For populations in crisis situations, and dependent on a general ration as their only source of food, WFP provides a basic general ration of appropriately fortified commodities—usually blended food and fortified oil—that ensure adequate essential micronutrient intake. This has been found to be one of the least costly and most effective means of preventing and combating micronutrient deficiencies. All vegetable oil is fortified with vitamin A, all salt is iodized, and all WFP blended foods and high-energy biscuits are fortified with at least 12 different micronutrients, including iron. Wheat flour and maize meal are fortified with essential vitamins and minerals.
46. Through its technical assistance and investment facilities, WFP has helped build national capacities to produce blended food in several developing countries including Ethiopia, India, Madagascar, Malawi and North Korea. The Programme has taken the lead in standardizing a pre-mixed blended food for use by United Nations agencies, such as UNICEF, and has published a practical guide on the use of blended foods. A pilot study of social marketing to encourage the use of blended foods is currently being undertaken in Nepal and India.
47. Over the planning period, WFP will build on the findings of its pilot projects to promote the utilization of locally produced blended foods and make them available on the market. The general availability of micronutrient-enriched blended foods will be a major step in improving the nutritional status of children in developing countries
48. An understanding of nutritional issues by WFP staff is important in planning, implementing and monitoring food aid activities. To date more than 100 staff have been trained in core nutrition competencies and more than 250 NGO, national government and donor staff have been trained in similar courses provided by WFP. Future nutrition training will concentrate on the key staff, such as programme advisers working in large emergencies, who can make the greatest impact. Training materials will be expanded to create a "Trainers' Toolkit" for WFP, and external training programmes will be available to partner governments and organizations.

Partnerships

49. WFP's current partnerships are uneven in quality. Most are not true partnerships but more akin to contracts, i.e. arrangements where WFP supplies the resources while the "partner" assists with implementation. Such "partnerships" are sometimes appropriate, but they do not often create synergy or maximize the benefits for the hungry. For example,



technical advice partnerships, such as those with FAO, ILO, WHO and UNESCO, are essential and will be maintained, but they do not increase the resources available for programming. However, as WFP increasingly builds nutritional assessments into its needs assessments and monitoring, special technical advice partnerships will need to be established with local universities and research institutions and NGOs.

50. True partnerships will see the partners—such as the World Bank, regional banks, UNICEF, UNHCR, IFAD, NGOs and bilateral donors—sharing the intellectual and resource requirements with WFP. This will be done through joint identification, planning and implementation of activities, all in collaboration with the national governments. WFP is already working in this way with the World Bank on joint activities designed to help create conditions in rural areas that will allow the hungry poor to participate more actively in the local economy. From this experience it is clear that good partnerships between donors, and co-financing arrangements, mutually reinforce and enhance the leverage and effectiveness of poverty alleviation programmes. WFP needs in particular to build upon its school feeding activities' complementarity with the World Bank's, UNICEF's and bilateral donors' work in education in order to provide a basis for stronger partnerships as school feeding expands to more countries.
51. WFP has established a liaison office to strengthen its partnership with the World Bank, and the Programme's Regional Managers are developing their working relationships with the decentralized regional banks. In these ways, WFP will obtain an early sense of what is being planned in order to identify opportunities for collaboration that can be discussed with national governments.
52. Partnerships with other Rome-based agencies, FAO and IFAD, will continue to be central and will be strengthened in line with this approach to partnerships. WFP works closely with FAO, for example in joint crop assessment missions, in post-disaster recovery activities, and on the Food Insecurity and Vulnerability Information Mapping System (FIVIMS). IFAD is a natural partner for WFP, with its complementary lending modality and its focus on the rural poor.
53. The three Rome-based agencies have also worked with the Government of Italy to extend bilateral debt reduction in Ecuador and Egypt; the funds previously used to service debt will be channelled to increase food security and reduce poverty. Such initiatives notwithstanding, the number of partnership activities is not growing to the extent that the three organizations would like, and other opportunities will need to be identified and developed.
54. UNICEF is another natural partner for WFP. Supported by a Memorandum of Understanding (MOU), UNICEF undertakes activities for WFP such as nutrition surveys. Joint funding of programme activities, however, is not common, and needs to be increased. The expansion of school feeding over the plan period will provide an opportunity for this.
55. With centralized organizations such as IFAD, WFP Headquarters should take the lead in partnership building, and with decentralized organizations, country offices will establish partnership arrangements directly. The CCA/UNDAF process will be used as a vehicle to attract other organizations into the more isolated areas where they do not normally operate but where WFP has activities. However, WFP cannot expect UNDAF to build all of the necessary field partnerships, and it will actively seek other opportunities; many potential funding partners, such as the World Bank, regional banks and bilateral donors, are not usually involved in the UNDAF processes.
56. In order for WFP to establish partnerships that assist the poorest hungry people, it may first be necessary for the Programme to undertake activities in *less poor* communities. This



would enable WFP to establish partnerships that could then be extended to work with the poorest communities.

57. WFP's partnerships with NGOs will often be different from those with technical and financing organizations. Especially in development, NGO partnerships will be based upon what NGOs can do best, such as building community capacities at low cost and helping build a greater understanding of the livelihoods of hungry people. WFP's partnerships with NGOs in emergencies and protracted relief will continue to be essential for effective and cost-efficient assistance.

Knowledge Base

58. WFP will strengthen and systematize its knowledge base on the hungry poor. The principal means for this effort will be the collection and organization of information through vulnerability assessment and mapping, working closely with FIVIMS, and ongoing monitoring and evaluation.
59. VAM is now providing food security information for relief and development in 50 countries, and will expand coverage during the planned period. By the end of 2002, a VAM Quality Improvement Programme will have been completed. This will entail the definition of WFP information needs, identification of best practices and the development of technical guidelines, a VAM User Guide and a revised conceptual framework. Wherever possible, WFP will develop VAM capacity within national institutions. In this way WFP will encourage knowledge management and awareness of best practices related to hunger in host countries. This will be complemented by the provision of technical advice to host governments, either directly or with WFP acting as an intermediary for third parties. This advice will be particularly important in the context of school feeding activities, including the provision of baseline data. Furthermore, WFP expects that host government absorptive capacity will be increased through these activities, and through the provision of WFP's good offices, advice and logistical support to national food aid programmes.

Human Resources

60. In providing technical advice on VAM; creating partnerships; advocating on behalf of the hungry; and designing and managing activities, WFP staff must be experienced in a variety of relief and development situations, and have management and technical skills. The experience and skill mix required by WFP varies with the proportions and types of relief and development work undertaken at a given time. Similarly, the number of staff required varies with the unpredictable workloads related to changing emergency situations. The introduction of the Indefinite Appointment contract for International Professional Staff in 2000 and the availability of direct support cost funding for staffing will help address this requirement by providing a much greater level of staffing flexibility.
61. It is important to balance the number of women and men employed, and the proportion of staff from developing and developed countries. Currently, 36 percent of WFP's International Professional Staff are women, a considerable advance but still below the United Nations Secretary-General's target of 50 percent. The percentage of professional staff from developing countries now exceeds the informal target of 40 percent, but this level must be maintained.
62. WFP's better balance of skills has been achieved through a "re-profiling" skills training programme and the expansion of external recruitment rosters to 18 specific skills categories. WFP's training strategy and the roster categories are based on the Programme's skills profiles, which detail the skills required to perform the duties of the various positions within the organization. These profiles are a tool for the assessment of people for positions,



including temporary duty assignments, and a sound basis for tracking the career and skills development of individuals. The profiles will need to be updated periodically to reflect decentralization and functional changes as they occur within the organization.

63. Using the skills profiles as one of the foundations, WFP has developed a training strategy for 2000–2002. The strategy is driven by the following key factors:
- the security needs identified by the Safety Awareness Training programme implemented in 1999 and 2000;
 - computer systems integration and, in particular, the roll-out of the new corporate information system;
 - Enabling Development, improving emergency response;
 - decentralization;
 - strengthening of management;
 - integrating personal development and training to maximize impact; and
 - increasing inter-agency collaboration.
64. The strategy will be adjusted in line with the organization's needs and will be built upon to create a follow-on strategy for 2003–2005.
65. WFP will participate in the United Nations system's investigation of approaches to staff rewards and recognition. Different approaches will be analysed, including financial and non-financial rewards for exceptional performance. The appraisal of individual performance will be further refined.

RESOURCING AND COST ISSUES

Resource Projections

66. WFP's resources have shown an overall increase over the past several years, but as a voluntarily funded agency, WFP always faces uncertainty in its resourcing. In 2000, its relief activities were under-resourced by about 18 percent, the already decreased planned deliveries for development activities by 26 percent, and Special Operations by 68 percent. An under-resourced activity cannot be expected to achieve its full objectives. In such cases, the effects are a reduction not just in the number of beneficiaries reached but also in the effectiveness of the activity for the remaining beneficiaries. The ultimate effects of under-resourcing are lost lives, declining nutritional levels, reduced development and continued vulnerability.
67. After careful analysis of commodity and freight prices and a detailed projection of expected contributions over the four year planning period, WFP has developed resource projections that will be used as the basis for planning and budgeting over the period. The estimates of resources for the planning period for each of WFP's programme categories are included in the respective sections on Goals, Objectives and Indicators. In addition, Annex II includes tables outlining the sources and utilization of funds anticipated by the Programme over the planning period.
68. The overall assumptions on resource levels can be summarized as follows:
- While global food aid levels will remain difficult to predict over the Plan's period, WFP anticipates a medium-range scenario of contributions that will provide about



5.5 million tons in 2002–2003, declining to about 4.9 million tons in 2004–2005, although this is extremely difficult to predict so far in advance.

- Composite average commodity prices will rise each year from the very low 2000 and 2001 actual prices (from US\$214 per ton in 2001 to a projected US\$267 per ton by 2005).
 - Ocean freight rates will increase slightly from the 2000 rates, at an average of 5 percent per year.
 - Resources for development activities will remain at current levels for 2002–2005. Contributions for the new School Feeding Initiative, started in 2001, will continue through the planning period.
 - Resources required for emergency and protracted relief and recovery are difficult to predict, but WFP has no reason to believe that in 2002–2005 they will differ greatly from current levels, despite a predicted rise in prices.
69. As in the past, WFP has forecast the availability of resources in high, medium and low scenarios (see Annex I). *It has used the medium-range scenario as the basis for the strategic and financial planning in this document.* WFP will continue to express its level of operations in terms of tonnage to be delivered.
70. The overall tonnage for WFP activities during the four-year planning period is expected to be 10.4 million tons of commodities. The value of the activities is estimated to be about US\$5.74 billion. This is comprised of US\$4.88 billion in direct operational costs (85 percent of the total) and US\$857 million in direct and indirect support costs (15 percent of the total).
71. The Programme Support and Administrative Budget for 2002–2003 is estimated to range between US\$183 million in the low scenario and US\$244 million in the high scenario. PSA for the 2004–2005 biennium will see a slight decrease from these estimates. For the purpose of this Plan, the biennial PSA level for the medium-range scenario for 2002–2003 will be about US\$214 million, based on an indirect support cost recovery rate of 7.8 percent. This is the same rate approved by the Executive Board for 2000–2001. The final rate will be set by the WFP Executive Board when it considers the WFP Budget for each biennium.

Cost Effectiveness

72. WFP prides itself on being one of the most cost effective, efficient organizations in the United Nations system. Notwithstanding this performance, the Programme must still strive to maintain its emphasis on cost effectiveness. This is required not only to retain the support and confidence of the donors but also because increased non-food costs result in less food available for the hungry poor.
73. Recently WFP reconfirmed its commitment to cost containment by taking additional steps to review the cost components of all WFP-supported projects. Reviews of selected development and relief activities are being undertaken to determine the factors that affect the level of cash required to implement various WFP programmes, with the objective of developing guidelines for the budgeting of cash components of those programmes. In addition, the Programme Review Committee will be charged with the responsibility of ensuring that project budgets reflect only those costs required for successful implementation. All WFP managers, both at Headquarters and in the field, will be expected to operate in the most efficient, least costly manner. For example, efforts to contain costs, such as WFP's self-insurance scheme for commodities in transit, are expected to reduce



insurance premiums by US\$1.52 million in 2001 and US\$1.49 million in 2002, when compared with commercial insurance rates. Similarly, WFP's direct chartering of vessels rather than its using grain houses to organize shipping has resulted in lower shipping costs, amounting to approximately US\$3 million in both 1999 and 2000.

Resources Mobilization

74. The Executive Board was aware of the effects of underfunding when it approved the Resource Mobilization Strategy in October 2000. WFP is starting to implement that strategy, which aims to have the Programme resourced with as high a degree of security, predictability and flexibility as is possible for a voluntarily funded organization. The strategy includes measures to strengthen both the Consolidated Appeals Process (CAP) and WFP's appeals for resources. It recognizes the need for WFP to be able to demonstrate results and to have appropriate targeting, assessment procedures and implementation strategies if resource contributions are to be maintained or increased. Together with broadening of the donor base, support for Food Aid Convention (FAC) contributions channelled through WFP, and other Resource Mobilization Strategy elements will be introduced and institutionalized by the end of the planning period.
75. When additional new resources do become available at short notice, WFP needs to have programmes and activities ready to implement, or the resource opportunity may be lost. The Programme will therefore increase its efforts to prepare additional activities that can be commenced quickly.

GOVERNANCE AND DEMONSTRATING RESULTS

76. In 2000, the WFP Executive Board approved a series of measures to strengthen the governance of the organization. It was envisaged that governance would be enhanced by differentiating clearly between the role of the Board as governor and the role of the Secretariat as manager of the Programme. Governance was seen as the provision of high-level guidance to the Programme on meeting specific strategic results, and management as the implementation of that guidance.
77. The measures approved by the Board include the requirement that by 2004: (i) the Strategic Plan set by the Board provide clear strategic direction to WFP; (ii) the Secretariat implement the Strategy within the parameters set by the Board's Policy Framework and approved Budget and Management Plan; (iii) progress in implementation be reported to the Board by means of regular oversight reports; and, (iv) the Secretariat be accountable to the Board for achieving the strategic results through an Annual Performance Report.
78. Under the new governance arrangements, there will be an increased demand for organizational performance assessment and reporting at the policy and strategic levels. WFP will review its management oversight and accountability responsibilities to the Board in implementing the new governance arrangements. The need for oversight coordination in a decentralized environment, and for collaboration with the Joint Inspection Unit (JIU), Office of Internal Oversight Services (OIOS) and other oversight mechanisms of the United Nations system, are increasing; making greater coordination of oversight functions, Evaluation, Inspection and Internal Audit necessary.
79. The Board recognized that the new governance arrangements required WFP to introduce results-based management. Introducing RBM has been a disruptive process for some organizations. Learning from this experience, WFP will introduce RBM progressively, as it reviews processes and procedures, develops guidelines and approaches and undertakes



initiatives. It is determined not to be too ambitious and to tailor RBM to its business, make it cost effective and ensure that it meets the needs of the Executive Board and other stakeholders. Indeed, WFP prefers to regard RBM as results-based thinking (RBT), as this reflects the important change in thinking that is required of all staff rather than giving the impression that it concerns only managers and management systems.

80. Like WFP, other funds and programmes have commenced their introduction of RBM as a means of helping place emphasis on achieving quality improvements and results and of minimizing costs. Each is tailoring the approach to its own business needs and to the requirements of its governing body. In doing so these organizations have drawn upon the experience of those governments, private-sector organizations and NGOs that have previously adopted this approach to management. In creating the new governance arrangements, WFP will advance RBT. For example: this Strategic and Financial Plan sets clear objectives and indicators for the results WFP expects to attain. The Budget and Management Plan will, from 2004–2005, provide a clear outline of the planned actions of the Programme and link this to the projected resources and budget allocations, providing indicators of performance. The oversight reports and the Annual Performance Report will, by 2004–2005, use the indicators to account for the Programme's performance. RBT will also be introduced into the existing monitoring of field activities and their periodic reports to management, starting with the fundamental levels of results, outputs and outcomes, and moving towards impact level information (see Annex I), as this becomes feasible.
81. Another key tool for WFP both to improve its financial and information management capacity and to demonstrate results is the WFP Financial Management and Improvement Programme (FMIP). FMIP began in 1995, and will conclude by the end of 2001. It will greatly improve WFP's ability to manage, account for and report on the use of the resources placed at its disposal. The implementation of FMIP was split up into three priorities: (i) immediate fixing of problem areas; (ii) introduction of tactical systems to facilitate information flow; and (iii) implementation of a long-term financial control system. The first two priority areas were completed in mid-2000. The new corporate information system "went live" at the beginning of 2001, and will be fully rolled out to the four bureaux plus 14–16 country offices in 2001, and approximately 50 more country offices in 2002.
82. During the planning period 2002–2005, the focus of FMIP will be on mainstreaming, maintaining and improving the system. As the new corporate information system is both a flexible and ever-improving management tool, WFP will likely discover new uses for the system as it is integrated into the Programme's day-to-day work. It will be used to manage almost every facet of WFP's business, including programme/project planning and implementation, procurement, finance, travel, logistics and, in the near future, human resources and payroll. Activities such as monitoring performance and reporting will be greatly facilitated by this tool. A review of its impact on the workflow and structure of the Programme will be conducted later in 2001. This is expected to result in the consolidation of certain functions such as programming and budget and of the offices responsible for oversight activities.





II. WFP's Goal, Objectives and Indicators

83. This section sets out WFP's Strategy for 2002–2005 (explained in Section I) in the form of a goal, objectives and indicators of results, with indicative budgets. The goal is what WFP aims to achieve. The objectives are the major steps required to achieve that goal. To monitor the Programme's progress, indicators are provided for each objective. These concentrate on the early, concrete results expected so that performance can be reviewed annually. This is the first time WFP has developed such indicators. Experience in using them will be required to assess their usefulness fully.
84. The objectives, indicators and indicative budgets are shown by programme category and support activities.

THE GOAL FOR 2002–2005

85. The goal for 2002–2005 is:

Excellence in providing food assistance that enables all planned beneficiaries of WFP relief activities to survive and maintain healthy nutritional status, and enabling the social and economic development of at least 30 million hungry people every year.

86. The indicative WFP Budget for achieving this goal is:

- 2002–2003 US\$3.012 billion
- 2004–2005 US\$2.896 billion



I. DEVELOPMENT PROGRAMMES AND PROJECTS
--

Indicative Resource Availability
2002–2003 US\$633 million
2004–2005 US\$638 million

Objectives	Annual Indicators of Results
<p>I.A. Annually to have enabled at least 30 million targeted hungry poor people to participate in development opportunities by removing hunger as a constraint:</p> <ul style="list-style-type: none"> ➤ Within the ratio of 50 percent for LDCs: 90 percent for LIFDCs and 10 percent for other countries ➤ With the planned ration, within the approved budget and timetable ➤ Targeting the poorest of the poor ➤ With at least 75 percent of beneficiaries being women and children ➤ Giving control of the food assistance to women ➤ Enabling the creation of personal and community developmental assets in the categories of: mother and child health, education and training, physical infrastructure, disaster mitigation and natural resource management (at least 25 percent of assets created will be controlled by women) 	<p>I.A. Total number of beneficiaries:</p> <ul style="list-style-type: none"> ➤ Ratio of WFP development expenditure for LDCs, LIFDCs and other countries ➤ Percentage of activities implemented as planned regarding (i) ration size distributed, (ii) expenditure commitment level, and (iii) timing of distributions ➤ Percentage of beneficiaries earning less than US\$1 per day ➤ Percentage of women and children beneficiaries ➤ Percentage of females on local food/activity committees in charge of distribution ➤ Number of beneficiaries who gained a personal or community asset by asset category, gender and age group ➤ Quantity of assets created and controlled by beneficiaries in each asset category, by gender and age group
<p>I.B. To have aligned all activities with the Enabling Development policy and guidelines by 2003:</p> <ul style="list-style-type: none"> ➤ To have ensured partnerships for the provision of essential non-food inputs 	<p>I.B. Percentage of activities aligned with the Enabling Development policy and guideline requirements, by expenditure:</p> <ul style="list-style-type: none"> ➤ Number and percentage of projects with partner inputs by partnership type and value of resources contributed
<p>I.C. To have had output- and outcome-level results for the following percentages of the development portfolio: 50 percent (2002), 75 percent (2003), 90 percent (2004), 100 percent (2005)</p>	<p>I.C. Percentage of activity standard project reports containing output and outcome results</p>



II. EMERGENCY OPERATIONS

Indicative Resource Availability

2002–2003 US\$1.3 billion

2004–2005 US\$1.2 billion

Objectives	Annual Indicators of Results
<p>II.A. To have fed 100 percent of the hungry people targeted in approved EMOPs:</p> <ul style="list-style-type: none"> ➤ With the planned ration, within the approved budget and timetable ➤ With at least 80 percent of recipients being women and children ➤ Giving control of the food assistance to women ➤ Enabling targeted people to sustain themselves without emergency assistance 	<p>II.A. Percentage of total planned beneficiaries in approved EMOPs who received WFP food assistance:</p> <ul style="list-style-type: none"> ➤ Percentage of total planned beneficiaries who received the planned ration within the approved budget and timetable ➤ Number of women and children beneficiaries ➤ Percentage of local food aid distribution committees/structures/mechanisms managed or controlled by women ➤ Percentage of former EMOP beneficiaries no longer requiring emergency food assistance
<p>II.B. To have designed phase-out strategies, or PRROs where necessary, to help people transition from EMOP assistance to development</p>	<p>II.B. Percentage of concluded EMOPs with a phase-out strategy and/or transition to another programme category</p>
<p>II.C. To have had output-level results for the following percentages of the EMOP portfolio: 50 percent (2002), 75 percent (2003), 90 percent (2004), 100 percent (2005)</p>	<p>II.C. Percentage of EMOP programme by expenditure, for which output monitoring information was available</p>



III. PROTRACTED RELIEF AND RECOVERY OPERATIONS

Indicative Resource Availability
2002–2003 US\$880 million
2004–2005 US\$828 million

Objectives	Annual Indicators of Results
<p>III.A. To have fed 100 percent of the hungry people targeted by approved PRROs annually:</p> <ul style="list-style-type: none"> ➤ With the planned ration, within the approved budget and timetable ➤ With at least 80 percent of recipients being women and children ➤ Giving control of the food assistance to women ➤ Enabling targeted people to sustain themselves without emergency assistance ➤ With WFP partners, whenever conditions allow, enabling their creation of personal and community developmental assets in the categories of: mother and child health, education and training, physical infrastructure, disaster mitigation and natural resource management (with at least 25 percent of assets created controlled by women) 	<p>III.A. Number of beneficiaries of PRRO assistance compared with planned number in approved proposals for each year:</p> <ul style="list-style-type: none"> ➤ Percentage of beneficiaries who received the planned ration within the planned budget and timetable ➤ Number of women and children beneficiaries ➤ Percentage of females on local food/activity committees in charge of distribution ➤ Number of former PRRO beneficiaries no longer requiring emergency food assistance ➤ Number of beneficiaries who have gained a personal or community asset in each priority category of development assistance ➤ Quantity of assets created and controlled by beneficiaries in each priority category
<p>III.B. For each PRRO, to have assessed the need for continued food assistance and designed (i) a phase-out strategy, (ii) a “graduation to development” strategy, or (iii) a PRRO expansion strategy as required</p>	<p>III.B. Percentage of PRROs with a phase-out, graduation or expansion strategy</p>
<p>III.C. To have had output- and where possible outcome-level results for the following percentages of the PRRO portfolio: 50 percent (2002), 75 percent (2003), 90 percent (2004), 100 percent (2005)</p>	<p>III.C. Annual percentage of PRROs by expenditure for which output and/or outcome results data were available</p>



IV. SPECIAL OPERATIONS

Indicative Resource Availability
2002–2003 US\$42 million
2004–2005 US\$42 million

Objectives	Annual Indicators of Results
<p>IV.A. To have designed and implemented an effective and cost-effective logistics and transport infrastructure repair or rehabilitation operation:</p> <ul style="list-style-type: none"> ➤ Whenever this was viable and essential for ensuring that adequate food assistance reached people targeted by WFP's approved EMOPs and/or PRROs 	<p>IV.A. Percentage of SOs funded to at least 70 percent of requirements:</p> <ul style="list-style-type: none"> ➤ Percentage change in delivery cost due to SOs ➤ Percentage change in volume of WFP tonnage transported through SO-improved facilities ➤ Number of delivery mechanisms made possible by an SO
<p>IV.B. To have provided a full-cost recovery logistics and transport service to the international humanitarian community on request for the provision of non-food items for EMOPs and PRROs</p>	<p>IV.B. Number of logistics support service operations provided to organizations other than WFP by category: United Nations, donors, NGOs, governments</p>

V. SUPPORT ACTIVITIES

Indicative Budget Allocation
2002–2003 US\$437 million
2004–2005 US\$420 million

Objectives	Annual Indicators of Results
<p>V.A. To have provided the necessary outputs (goods and services) required to support the identification, design, appraisal, funding, financing, implementation, monitoring, evaluation, management and accountability of the activities undertaken in the four programme categories</p>	<p>V.A.</p> <ul style="list-style-type: none"> ➤ Regular periodic management reports made by Division Directors for the Executive Staff using key quantitative indicators of current performance ➤ Effectiveness of support services' outputs assessed by country offices ➤ Unqualified Audited Biennial Accounts noted by the Executive Board ➤ Standard project reports received in a timely fashion by donors



WFP RESULTS FRAMEWORK

INPUTS

- Governance
- Food
- Cash
- Skills and experience
- Technology
- Services

ACTIVITIES

Support



Field



Policies and field programmes of others

RESULTS

Outputs

People fed

People fed, assets gained

Outcomes

Nutritional status maintained

Livelihoods improved

Impact

Reduced number of hungry people



RESOURCE PROJECTIONS AND UTILIZATION

SOURCES OF FUNDS (in million US dollars)																
Total	Actual			Estimates ²	Planned level				High level				Low level			
	1998	1999	2000 ¹	2001	2002	2003	2004	2005	2002	2003	2004	2005	2002	2003	2004	2005
SOURCES OF FUNDS																
Development	310	305	201	316	314	319	319	319	362	367	367	367	267	271	271	271
Emergencies	637	861	908	660	685	615	614	614	788	708	706	706	582	523	522	522
PRROs	195	327	398	480	466	414	414	414	535	476	476	476	396	352	352	352
Special Operations	32	42	28	19	21	21	21	21	21	21	21	21	21	21	21	21
Bilateral and others ³	17	55	39	34	35	35	35	35	35	35	35	35	35	35	35	35
General Fund	53	48	60	41	43	44	44	44	43	44	44	44	43	44	44	44
Total sources	1 244	1 638	1 633	1 550	1 564	1 448	1 448	1 448	1 784	1 650	1 650	1 650	1 344	1 246	1 245	1 246

¹ 2000 figures are based on actuals from Provisional Financial Statements.

² 2001 figures do not include carry-over from 2000.

³ Other Expenditure under Special Accounts.

Note: Totals do not add up due to rounding.



PROJECTED RESOURCES
(in thousand tons)

Year	Development			Emergencies			PRRO			Total		
	High	Medium	Low	High	Medium	Low	High	Medium	Low	High	Medium	Low
2002	878	767	649	1 491	1 292	1 102	989	861	731	3 358	2 920	2 482
2003	851	743	629	1 285	1 119	950	837	728	619	2 973	2 590	2 197
2004	823	717	608	1 244	1 083	919	805	701	595	2 871	2 501	2 122
2005	792	691	585	1 211	1 053	895	783	681	579	2 786	2 426	2 059
Total	3 344	2 919	2 472	5 230	4 548	3 866	3 413	2 970	2 523	11 987	10 437	8 860

Note: Totals do not add up due to rounding.



SOURCES AND UTILIZATION OF FUNDS

(in million US dollars)

TOTAL	Actual		Estimates ²		Planned Level				High Level				Low Level			
	1998	1999	2000 ¹	2001	2002	2003	2004	2005	2002	2003	2004	2005	2002	2003	2004	2005
SOURCES OF FUNDS																
Commodity Contributions	394	504	379	367	401	389	393	397	460	446	452	456	340	330	334	337
CLC Contributions	257	235	428	256	253	245	248	250	290	281	284	287	215	208	210	212
Subtotal Commodity Contributions	651	739	807	623	654	634	641	648	750	728	736	743	555	538	544	549
Other contributions	543	844	765	886	867	771	762	756	990	879	870	862	746	665	658	652
General Fund:																
General contributions	3	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1
Interest and miscellaneous income	46	51	58	39	41	41	42	42	41	41	42	42	41	41	42	42
GCCC	1	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Subtotal General Fund	50	55	61	41	43	44	44	44	43	44	44	44	43	44	44	44
<i>Indirect Support Costs (see Usage)</i>	<i>86</i>	<i>130</i>	<i>89</i>	<i>109</i>	<i>110</i>	<i>102</i>	<i>102</i>	<i>102</i>	<i>126</i>	<i>116</i>	<i>116</i>	<i>116</i>	<i>94</i>	<i>87</i>	<i>87</i>	<i>87</i>
TOTAL SOURCES	1 244	1 638	1 633	1 550	1 564	1 448	1 448	1 448	1 784	1 650	1 650	1 650	1 344	1 246	1 245	1 246
USAGE OF FUNDS																
Food in kind	394	504	379	367	401	389	393	397	460	446	452	456	340	330	334	337
Food purchases	253	206	301	256	253	245	248	250	290	281	284	287	215	208	210	212
Subtotal	647	710	680	623	654	634	641	648	750	728	736	743	555	538	544	549
Other Operational Costs:																
Ocean transport	147	248	205	251	227	196	199	201	260	225	228	231	192	166	169	170
Air, overland and ITSH	262	261	371	342	343	297	287	279	395	341	329	320	292	252	243	237
Other	59	66	49	69	71	70	69	68	75	73	72	71	67	66	66	65
Direct support costs	123	147	185	115	116	107	107	107	135	124	124	124	101	93	93	93
<i>Indirect support costs (see Sources)</i>	<i>86</i>	<i>130</i>	<i>89</i>	<i>109</i>	<i>110</i>	<i>102</i>	<i>102</i>	<i>102</i>	<i>126</i>	<i>116</i>	<i>116</i>	<i>116</i>	<i>94</i>	<i>87</i>	<i>87</i>	<i>87</i>
Subtotal	591	722	811	777	757	669	661	654	864	763	754	746	652	578	571	565
PSA costs	96	135	98	110	111	103	103	103	127	117	117	117	95	88	88	88
Other Expenditure ³	14	3	10	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL USAGE	1 348	1 570	1 599	1 510	1 522	1 406	1 405	1 405	1 742	1 608	1 607	1 607	1 302	1 203	1 203	1 203
Volume (000 metric tons)	2 825	3 447	3 543	2 958	2 920	2 590	2 501	2 426	3 358	2 973	2 871	2 786	2 482	2 197	2 122	2 059

¹ 2000 figures are based on actuals from Provisional Financial Statements.

² 2001 figures do not include carry-over from 2000.

³ Other Expenditure under Special Accounts.

Note: Totals do not add up due to rounding.



ANNEX III

PROGRESS IN IMPLEMENTING THE SFP 2000–2003 PRIORITIES

This annex summarizes the progress made by WFP in the first 15 months of implementation of the ten priorities set out in the SFP for 2000–2003. Measurement of progress is based on surveys of WFP cost centres, feedback received at the Senior Strategy Workshop in November 2000, and other analyses of WFP's performance. The results indicate that progress has been satisfactory, with some areas largely accomplished and others requiring further work. The ongoing tasks have been incorporated in the Strategy for 2002–2005.

A People-centred Approach to Programming Food Aid

Priority 1: Strengthen WFP's knowledge base

Planned result: WFP staff will be well informed on all relevant relief, recovery and development food aid issues centred on: who are the hungry poor, where are they located, what are the causes of their hunger and poverty and what are the opportunities to assist them.

Progress:

- Country offices are working with local research and other institutions, and conducting and participating in regional and national seminars related to hunger, food aid and poverty.
- VAM is now providing food security analyses in 50 countries.
- The Office of Evaluation (OEDE) has revised the database of lessons identified from evaluations and is systematically deriving lessons from WFP's experience.
- Many country offices (Bangladesh, Bolivia, Cape Verde, India, Morocco, Myanmar, Senegal, the Sudan and Zambia, so far) have undertaken their own evaluations and used the results to improve performance.
- Relief needs assessment processes are under review and new guidelines will be prepared.

Ongoing:

- ◇ *In an ongoing institutional learning process, WFP will continue the above activities to strengthen and update its knowledge base during 2002–2005.*
- ◇ *VAM is undergoing a quality improvement process to enable it to better support programme/project design information needs.*



Priority 2: Sharpen WFP's focus on countries with the greatest need for food aid

Planned result: Country Programmes, activities and projects will be designed, implemented, monitored and evaluated as directed by the Executive Board in its decisions on Enabling Development. WFP's development food aid will continue to be directed in the following proportions by expenditure: at least 90 percent to low-income, food-deficit countries (LIFDCs) and at least 50 percent to least developed countries (LDCs).

Progress:

- The development portfolio is being aligned with the Enabling Development policy according to the Executive Board–approved timetable. As of May 2001 the Executive Board will have seen that two thirds of Country Strategy Outlines (CSOs) and Country Programmes (CPs) are aligned with the policy.
- In 2000, development food aid expenditure was made in the following proportions: 91 percent LIFDC, 49 percent LDC, 9 percent Other Countries. Also, 85 percent of all development and relief expenditure was in LDCs.
- WFP's staffing profile has been upgraded in 13 LDCs.

Ongoing:

- ◇ *All development programmes will be aligned with the Enabling Development policy by the end of 2003.*
- ◇ *WFP is gradually increasing the number of countries (Mozambique, Malawi and Ethiopia are some initial examples) where it is providing or facilitating the provision of technical advice to governments on their food assistance programmes. This activity will be particularly relevant to school feeding.*

Priority 3: Increase the targeting of resources to women and children

Planned result: WFP will meet its commitments made at the Fourth World Conference on Women in Beijing, in relation to emergency, relief and development activities.

Progress:

- Commitment I is to give control of at least 80 percent of targeted household relief distributions to women. In 2001, 40 percent of country offices expect to meet this target, and another 36 percent will give women control of between 51 and 79 percent.
- Fifty-seven percent of emergency activities have seen an increase in the decision-making of and the lead role played by women in the last four years. As a consequence, 82 percent of activities have women on committees for identifying beneficiaries, and/or on food or other management issues committees. This represents steps toward the achievement of Commitment II, to give women equal access and full participation in power structures and decision-making.
- Commitment IV—to generate and disseminate gender-disaggregated data and information for planning and evaluation—is being undertaken by most country offices in the provision of standard data and information.
- Commitment V—to have NGOs and other partner organizations be consistent with Commitments I–IV—is now included in WFP-partner MOUs. Eighty-seven percent of



WFP country offices have now included the Commitments to Women in their agreements with partners.

- In addition, WFP has completed and put into use the following guidelines on gender issues: Gender Checklist (for meeting Commitments to Women), Gender Guidelines, and Gender Sensitive Food Aid Programming.
- The distribution of WFP's development resources has been re-targeted from agriculture/infrastructure projects to the social sector, where women and children are the prime beneficiaries.

➤ **Ongoing:**

- ◇ *WFP is still striving to fulfil Commitment III—to ensure the equal access of women and men to resources, employment, markets and trade—through targeting its resources and employment food-for-work (FFW) programmes to women.*
- ◇ *Reaching Commitment targets for development activities remains among WFP's priorities for 2002–2005.*
- ◇ *It is difficult to determine the percentage of project outputs and assets that are controlled by women, but it is probably lower than the target of at least 25 percent. This issue needs to be addressed at the project design stage, and will require closer monitoring to determine progress.*
- ◇ *A strategy for mainstreaming gender concerns is being prepared for presentation to the Executive Board in October 2002.*

Priority 4: Promote national institution-building, and local capacity-building through broad-based participation

Planned result: WFP will be providing advice, good offices, logistical support and information to countries for establishing and managing their own relief, recovery and development food assistance programmes.

➤ **Progress:**

- WFP has built the capacity of local NGOs in Latin America, Asia and Africa to enable them to serve as food aid partners.
- In 2000, WFP started to encourage counterparts to participate in the Commodity Movement Processing and Analysis System (COMPAS), a WFP worldwide commodity tracking system. So far the Ethiopian Disaster Preparedness and Prevention Commission (DPPC) is the first counterpart organization to take part in the system, and others are expected to follow based on that success.
- VAM has trained government personnel in the countries where it operates to improve targeting of vulnerable populations.
- WFP's services are being provided to governments in appropriate countries (for example Ethiopia, Malawi and Mozambique) in order to create or enhance existing government food assistance schemes and contingency planning.
- The use of participatory methods for activity design, implementation and evaluation is being reviewed to identify how it can be extended. Tools are being developed and training conducted.



📌 **Ongoing:**

- ◇ *The strengthening and empowering of civil society will continue to be a priority for WFP through extensions of the above activities, especially through the wider use of participatory approaches.*

Priority 5: Adopt operational policies, practices and programmes to deliver effective emergency, rehabilitation and development assistance

Planned result: WFP with an enhanced performance in development activities, emergencies, and protracted relief and recovery activities.

📌 **Progress:**

- As per the accomplishments noted under Priority 2, development activities are being aligned with the Enabling Development policy, according to the agreed-upon timetable.
- The new Programme Design Manual is in use; it is available also on the WFP Intranet and in a regularly updated CD-ROM version, distributed to all field offices.
- The following guidelines for the design, implementation and monitoring of WFP activities have been completed and put into use since the last SFP. All of these contribute to improved performance and consistence: Emergency Needs Assessments, Food and Nutrition Handbook, Estimating Food and Nutritional Needs in Emergencies, Selective Feeding Programmes in Emergency Situations (with UNHCR), Preparation of PRROs, Environmental Review Guidelines, School Feeding Handbook (with UNESCO and WHO) and Guidelines on Technical Assistance.

📌 **Ongoing:**

- ◇ *WFP will persist in its efforts at continual improvement in the above areas, developing guidelines such as those on monitoring, evaluation, partnerships and participation.*
- ◇ *A review and revision of all aspects of WFP's emergency response capacity is under way (Strengthening Emergency Response Capacity—SERC) and is expected to show results from 2002 onwards.*

Priority 6: Move the issues of hunger and poverty to the centre of the international agenda

Planned result: WFP will influence governments and other partners in working towards the ultimate WFP vision of a world without hunger and poverty.



📌 **Progress:**

- Fifty-six percent of WFP's country offices are undertaking advocacy activities on behalf of the hungry poor.
- Owing to broad efforts by WFP staff at both the Headquarters level (especially the public affairs section) and in the field, the Programme has greatly increased media coverage of its activities and of the plight of its beneficiaries.
- The role of the WFP Executive Director, Catherine Bertini, as Special Envoy of the United Nations Secretary-General to the Horn of Africa has greatly helped WFP's efforts to highlight the plight of the hungry poor in that region.
- A liaison office has been established with the Bretton Woods Institutions. Its functions include maintaining a dialogue and a working relationship between WFP and the Institutions on the importance of the links between food aid and support for basic education, adequate nutrition in early childhood, women's access to training and assets, asset-creation and preservation for the poorest, WFP's work and potential opportunities for collaboration.
- WFP's role in international conferences and summits (such as Beijing+5, Copenhagen+5, the Millennium Summit, the Children's Summit, and the World Food Summit+5) has grown considerably since the last SFP, providing opportunities for the Programme to call attention to the link between hunger and poverty, and to advocate on behalf of its constituents in new and more varied fora.
- A new WFP liaison office was established in Copenhagen to allow for greater advocacy in the Nordic countries.

📌 **Ongoing:**

- ◇ *The hungry poor require a voice in changing national policies and resource allocations, increasing actions that are pro-poor and keeping the international community's attention on hunger and poverty.*
- ◇ *WFP's efforts to influence national government policy and expenditures in favour of the hungry poor will be expanded following successful experiences in India and Pakistan.*

Priorities for Organizational Capacity and Resources

Priority 1: The organizational change initiative

Planned result: WFP will operate effectively and efficiently as a decentralized organization, responding quickly to the needs of the hungry poor and the directives of the Executive Board.

📌 **Progress:**

- WFP's Organizational Change Initiative (OCI) began in 1996. This initiative involved the following key areas: keeping the field at the centre of WFP; letting managers manage; leadership; teamwork; strategic thinking; communications; and flexibility and adaptability. Progress on implementing the OCI was reported to the Board in February 1999 (EB.1/99/3-B). At that time, WFP indicated its future steps, including devolution of decision-making to the field, increased WFP advocacy for the hungry poor,



improved internal and external organizational communication, streamlining procedures, and training to meet operational needs.

- Decentralization of two of WFP's regional bureaux (Latin America and the Middle East/North Africa) to the field and the creation of cluster offices with area responsibilities has been consolidated following a review of delegated authority and responsibilities.
- The decentralization initiative has been reviewed and steps taken to address remaining difficulties with role clarification, delegation of responsibility and authority and communications.

➤ **Ongoing:**

- ◇ *A further major step of moving the two remaining regional bureaux to the field will be taken in mid-2001. This will be consolidated during the planning period 2002-2005.*
- ◇ *In 2001, WFP will evaluate the OCI through a series of focused evaluation studies to assess success, costs and benefits, and to recommend further actions to be taken to achieve the remaining goals.*

Priority 2: Building a new staff profile

Planned result: WFP will have a staff adequate in skills and experience to fulfil its Mission Statement, but also able to be expanded and contracted in a balanced way as circumstances require.

➤ **Progress:**

- The Indefinite Appointment category for professional staff has been introduced and should facilitate maintaining a match between shifting requirements and the staff profile.
- WFP now has a balance of skills that better reflect its workloads in relief and development, through a "re-profiling" skills training programme, the expansion of recruitment rosters to cover 18 skills categories and flexibility provided by an Indefinite Appointment category.
- In 2000, for the first time, the percentage of professional staff from developing countries exceeded the target level of 40 percent.
- WFP staff skills have been systematically registered through a Skills Inventory so that available skills and gaps can be readily identified.

➤ **Ongoing:**

- ◇ *The percentage of professional staff who are women is now 36 percent, up from 18 percent in 1992, and still below the target of 50 percent set by the United Nations Secretary-General. In 1992 there were no women in WFP's upper management; today they comprise 36 percent women.*
- ◇ *WFP will maintain the match between the staff profile and Programme demand through monitoring, training and recruitment practices.*



Priority 3: Increased accountability

Planned result: WFP will have appropriate accountability systems to account effectively for its achievement of agreed operational outcomes and other targets.

Progress:

- The new corporate information system to implement FMIP was successfully rolled-out at the start of 2001 and will be well established as the main source of financial reports and other accountability information.
- Progress has been made in financial accountability with the timely preparation of standard project reports for donors; improved financial analysis in financial reporting; strengthened cash and investment management; further decentralization of financial management to regional and country offices; and the audit and control of monetized funds.
- WFP has incorporated a results-based approach in its monitoring and evaluation activities, including the development of key indicators in project monitoring and reporting, the launch of the Monitoring and Evaluation Network and the preparation of monitoring and evaluation guidelines.
- The systematic mid-term evaluation of all first-generation Country Programmes for submission to the Executive Board is being conducted, with 13 out of 17 already completed.
- The recommendation tracking matrix is operational: for every evaluation conducted, recommendations made are tracked in terms of compliance. The management response to action taken is then submitted to the Executive Board.
- Substantial authority has been delegated to senior and middle managers, along with corresponding accountability for performance in their areas of responsibility.

Ongoing:

- ◇ *The new corporate information system will be rolled out to the four bureaux plus 14-16 country offices in 2001, and approximately 50 more country offices in 2002, thus greatly strengthening managerial capacity and accountability during the planning period.*
- ◇ *A second phase will ensure that the systems are further improved and constantly upgraded in line with operational requirements.*
- ◇ *The gradual introduction of results-based thinking in several areas of the Programme (for example in “Projected 2001 Needs for WFP Projects and Operations”, preparation of the monitoring guidelines, and the SFP 2002–2005), in conjunction with the governance-strengthening measures approved by the Executive Board, will institutionalize accountability measures in WFP.*
- ◇ *This SFP incorporates RBT through the objectives and indicators provided in the programme category section.*
- ◇ *A strategy for the expansion of RBT will be presented to the Executive Board in October 2001.*



Priority 4: Better mobilization of resources

Planned result: WFP will have a more secure and predictable resource base for development, recovery and relief activities.

Progress:

- Despite a general decline in humanitarian and development assistance resources, in 2000 WFP received contributions totalling 11 percent more than those received in 1999.
- Eighty-four percent of EMOPs' required resources, 79 percent of PRROs' required resources and 74 percent of WFP's needs for planned deliveries to development programmes and projects were received in 2000.
- Several donors have increased the proportion of their FAC commitments channelled through WFP, enhancing predictability, given the three-year duration of the Convention.
- Private donations to WFP totalled over US\$5 million in 2000; efforts to increase donations in this area are being undertaken in line with the Resource Mobilization Strategy, and include the appointment of an experienced professional fund-raiser.

Ongoing:

- ◇ *WFP continues to be resourced by a relatively small core of donors (in 2000 the top ten donors contributed 90 percent of funding). Efforts to broaden donor support will continue.*
- ◇ *Need for development resources far exceeds the approved activity level that has been consciously held under a ceiling projected from recent trends. Despite this fact, development resources declined in 2000, by about 18 percent from those in 1999. Strenuous efforts will have to be made in order to raise development funding levels.*
- ◇ *A new Resource Mobilization Strategy was approved by the Executive Board and is currently being implemented. It aims to promote the security and predictability of future resources while substantially increasing the level of resources available to development activities. Its implementation will extend into the next planning period.*



ANNEX IV

WFP VISION AND MISSION STATEMENT

1. This annex contains the WFP Vision and Mission Statement. These provide the overarching strategic direction of WFP, as approved by the Executive Board, and within which the Strategy for the period 2002–2005 is set.

WFP Vision

The vision of WFP is of a world in which every man, woman and child has access at all times to the food needed for an active and healthy life. Without food, there is no sustainable peace, no democracy and no development.

WFP Mission Statement

2. WFP is the food aid arm of the United Nations system. Food aid is one of the many instruments that can help to promote food security, which is defined as access of all people at all times to the food needed for an active and healthy life.¹ The policies governing the use of World Food Programme food aid must be oriented towards the objective of eradicating hunger and poverty. The ultimate objective of food aid should be the elimination of the need for food aid.
3. Targeted interventions are needed to help to improve the lives of the poorest people—people who, either permanently or during crisis periods, are unable to produce enough food or do not have the resources to otherwise obtain the food that they and their households require for active and healthy lives.
4. Consistent with its mandate, which also reflects the principle of universality, WFP will continue to:
 - use food aid to support economic and social development;
 - meet refugee and other emergency food needs, and the associated logistics support; and
 - promote world food security in accordance with the recommendations of the United Nations and FAO.
5. The core policies and strategies that govern WFP activities are to provide food aid:
 - to save lives in refugee and other emergency situations;
 - to improve the nutrition and quality of life of the most vulnerable people at critical times in their lives; and
 - to help build assets and promote the self-reliance of poor people and communities, particularly through labour-intensive works programmes.

¹ FAO/WHO (1992) International Conference on Nutrition.



6. In the first case, food aid is essential for social and humanitarian protection. It will be used in a way that is as developmental as possible, consistent with saving lives. To the extent possible, the provision of relief food aid will be coordinated with the relief assistance provided by other humanitarian organizations. In the second case, food aid is a pre-investment in human resources. In the third, it uses poor people's most abundant resource, their own labour, to create employment and income and to build the infrastructure necessary for sustained development.
7. WFP is well placed to play a major role in the continuum from emergency relief to development. WFP will give priority to supporting disaster prevention, preparedness and mitigation and post-disaster rehabilitation activities as part of development programmes. Conversely, emergency assistance will be used to the extent possible to serve both relief and development purposes. In both cases the overall aim is to build self-reliance.
8. In carrying out its mandate, WFP will concentrate on what it is best suited to do with the resources available as cost-effectively as possible. WFP will focus on those aspects of development where food-based interventions are most useful. It will make all necessary efforts to avoid negative effects on local food production, consumption patterns and dependency on food aid. WFP will continue to play a major and significant role in providing transport and logistics expertise and assistance to ensure rapid and efficient delivery of humanitarian aid.
9. WFP's multilateral character is one of its greatest strengths. WFP will exploit its capability to operate virtually everywhere in the developing world, without regard to the political orientations of governments, and to provide a neutral conduit for assistance in situations where many donor countries could not directly provide assistance. WFP will provide services: advice, good offices, logistic support and information; and support to countries in establishing and managing their own food assistance programmes.
10. WFP, on request, will provide bilateral services to donors, United Nations agencies and NGOs on the basis of full cost recovery. These will be administered and accounted for separately. Such services will complement WFP's regular operations to the extent possible.
11. WFP will concentrate its efforts and resources on the neediest people² and countries in accordance with the CFA's decision to provide at least 90 percent of WFP's development assistance to low-income, food-deficit countries and at least 50 percent of its development assistance to the least developed countries by 1997.
12. WFP will ensure that its assistance programmes are designed and implemented on the basis of broad-based participation. Women in particular are key to change; providing food to women puts it in the hands of those who use it for the benefit of the entire household, especially the children. WFP assistance will aim to strengthen their coping ability and resilience.
13. To be truly effective, food aid should be fully integrated into the development plans and priorities of recipient countries and coordinated with other forms of assistance. WFP's starting point is the national policies, plans and programmes of developing countries, including their food security plans. WFP will pull together its activities in an integrated way at the country level so that it can respond to urgent needs as they occur while retaining core development objectives. The country strategy note, where this exists, should provide the framework for an integrated response by the United Nations system. In some special

² Normally, poor and hungry people are those who earn less than the equivalent of one dollar a day, or who allocate the majority of their household budget to food.



cases WFP will adopt a multi-country or regional approach, particularly for the provision of humanitarian assistance.

14. No single agency has either the resources or the capacity to deal with all the problems of hunger and underdevelopment. Hence the importance WFP attaches to collaboration with other agencies, particularly with its parent bodies, the United Nations and FAO. WFP will continue to work closely with the United Nations Department of Humanitarian Affairs, UNHCR, other relevant agencies and non-governmental organizations (NGOs) in the response to emergencies and humanitarian crises. WFP will also collaborate closely with the Rome-based United Nations food and agriculture agencies, FAO and IFAD, especially in using food aid for achieving household food security. WFP will continue to forge effective partnerships of action with the World Bank and the International Monetary Fund, regional bodies and institutions, bilateral donors and NGOs in support of economic and social development.
15. WFP will play its part as an active member of the United Nations system to bring the issue of hunger to the centre of the international agenda. In its dialogue with recipient governments and the aid community, WFP will advocate policies, strategies and operations that directly benefit the poor and hungry.



ACRONYMS USED IN THE DOCUMENT

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC/SCN	Administrative Committee on Coordination Sub-Committee on Nutrition
BCE	Board of Chief Executives of the United Nations System
CAP	Consolidated Appeals Process
CCA	Common Country Assessment
c.i.f.	Cost, insurance and freight
COMPAS	Commodity Movement Processing and Analysis System
CP	Country Programme
CSO	Country Strategy Outline
DOC	Direct operational cost
DPPC	Ethiopian Disaster Preparedness and Prevention Commission
DSC	Direct support cost
EMOP	Emergency operation
FAC	Food Aid Committee
FAO	Food and Agriculture Organization
FFW	Food for work
FIVIMS	Food Insecurity and Vulnerability Information and Mapping System
FMIP	Financial Management Improvement Programme
HLCM	High-level Committee on Management
IDP	Internally displaced person
IFAD	International Fund for Agricultural Development
IFI	International Financial Institute
ILO	International Labour Organization
ISC	Indirect support cost
JIU	Joint Inspection Unit
LDC	Least developed country
LIFDC	Low-income, food-deficit country
MOU	Memorandum of Understanding
NGO	Non-governmental organization
OCHA	Office for Coordination of Humanitarian Affairs
OCI	Organizational Change Initiative
OIOS	Office of Internal Oversight Services
PRRO	Protracted relief and recovery operation
PSA	Programme Support and Administrative
RBM	Results-based management
RBT	Results-based thinking



SERC	Strengthening Emergency Response Capacity
SFP	Strategic and Financial Plan
SO	Special Operation
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Fund for Women and Children
UNSECOORD	United Nations Security Coordinator
VAM	Vulnerability analysis and mapping
WFS	World Food Summit
WHO	World Health Organization
WTO	World Trade Organization

