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For information

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Report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ)

The Executive Director is pleased to submit herewith the report of the Advisory Committee on Administrative and Budgetary Questions pertaining to WFP. The report covers the following agenda item:

- Update on the WFP Management Plan (2019–2021)

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Advisory Committee on
Administrative and Budgetary Questions

26 April 2019

Dear Mr Beasley,

Please find attached a copy of the report of the Advisory Committee on your submission concerning the Update on the WFP Management Plan (2019–2021) (WFP/EB.1/2019/6/1/Rev.1).

I should be grateful if you could arrange for the Advisory Committee's report to be placed before the Executive Board at its forthcoming session, as a complete and separate document. I would appreciate it if a printed version of the document could be provided to the Advisory Committee at the earliest possible opportunity.

Yours sincerely,

Cihan Terzi
Chairman

Mr David Beasley
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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the update on the WFP Management Plan (2019–2021) (WFP/EB.1/2019/6/1/Rev.1), to be submitted to its Executive Board for approval. During its consideration of the report, the Committee met with the Assistant Executive Director and other representatives of the WFP Secretariat, who provided additional information and clarification, concluding with written responses received on 11 April 2019.
2. The Advisory Committee recalls that it already recommended approval of the Management Plan (2019–2021) (see report of the Committee dated 21 November 2018) in December 2018 to the Executive Board of WFP and that the plan was subsequently approved by the Board.

II. Update to the Management Plan (2019-2021)

3. The document indicates that the Programme Support and Administrative (PSA) appropriation of USD 385.1 million and critical corporate initiatives continues to amount to USD 69.3 million. The plan assumed an overall funding level for WFP of USD 7.2 billion and USD 6.8 billion in 2018 and 2019 respectively which remains unchanged (WFP/EB.1/2019/6/1/Rev.1, paras. 1 to 2). The WFP report provides an update on elements of the WFP Management Plan (2019–2021) with regards to the new organizational structure. The report indicates that the changes have no implications on the overall 2019 Programme Support and Administrative (PSA) budget level and the critical corporate initiatives (ibid, paras. 1-3; Annex II, Table IV.5).
4. It is indicated that Annex I supersedes paragraphs 184 to 226 of the original WFP Management Plan (2019–2021) and otherwise the Management Plan (2019–2021) (WFP/EB.2/2018/6-A/1/Rev.1) remains as originally approved. Annex II of the updated plan contains tables which supersede information presented previously in the original report and in Annexes I and II of the original Management Plan (2019–2021) (WFP/EB.1/2019/6/1/Rev.1, paras. 4 to 5). **The Advisory Committee considers that the original document should have highlighted changes to the approved Management Plan in track mode and trusts that such information will be provided in any future submissions of this nature.**
5. Upon enquiry, the Advisory Committee received confirmation that all organizational realignments and restructuring would be carried out from within existing resources and that the overall proposal remains budget neutral as does the quantity of personnel. The Committee was also provided with a comparison table regarding staffing implications (see annex), details concerning the movements in positions and resources across organisational units between the approved Management Plan (2019-2021) and the Update to the Management Plan (2019-2021) and changes between the originally approved Management Plan and the Update to the Management Plan.

New Headquarters Structure

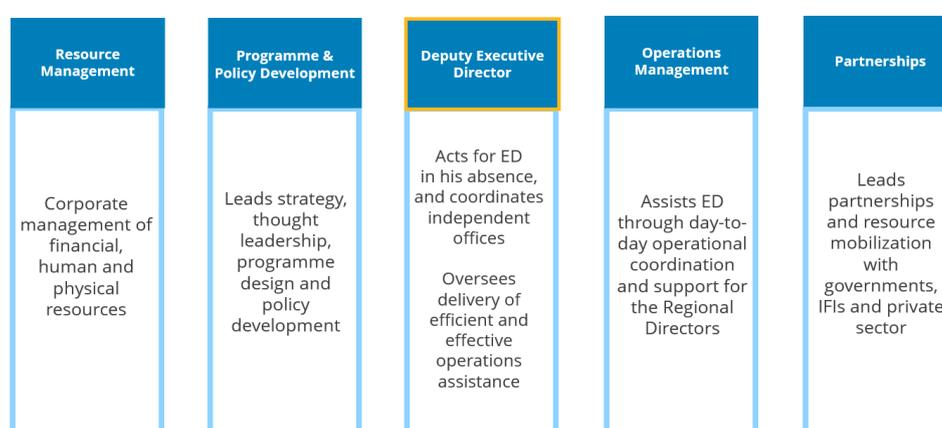
6. The document indicates that the new headquarters structure responds to the greater complexity of operations, including increasing recognition of the humanitarian, development and peace nexus as well as protracted crises within a background of increasing resource levels of more than 30 percent in the past two years (ibid, para. 6). The new structure is underpinned by five pillars under the leadership of the Executive Director to provide a more accountable and coherent headquarters structure that responds to the increased complexity of programmes and delivery services. The five pillars are: a) resource management, b) programme and policy development, c) operations management, d) operations assistance, and e) partnerships. The report indicates that together, they will ensure enhanced strategic collaboration within headquarters and stronger support to the field, by delivering better global policies, stronger quality control and strengthened oversight of WFP's activities (ibid, para. 8).

7. Upon enquiry, the Advisory Committee was provided with information regarding the context and the drivers for the change in the headquarters organizational structure. The Committee was informed that over the last two years, WFP has seen a 25 per cent increase in actual contributions revenue, from USD 5.8 billion in 2016 to USD 7.2 billion in 2018. This has been accompanied by a rise in WFP's engagement in complex or protracted emergency activities over the years.
8. In terms of the rationale for the proposed organizational structure, the document states that the pillars at WFP headquarters are intended to provide a more accountable and coherent structure that responds to WFP's larger resource base, as well as a more complex environment of programmes and service delivery, in order to provide stronger support to the field. Diagram 1 below provides an overview of the five pillars and their functions.

Diagram 1: Overview of the 5 pillars

HQ Organizational Structure

Realignment into five inter-related pillars



9. In terms of the changes between divisions in the proposed organisational structure and the related movements or 'lifts and shifts', diagram 2 below provides a summary of the movements.

Diagram 2: Summary of movements between pillars

Movements between Management Plan (2019-2021) and Update on the WFP Management Plan (2019-2021)					
Divisions	Department				
	Resource Management	Programme and Policy Development	Deputy Executive Director	Operations Management	Partnerships
Budget shifts - Additions and Deductions					
Director Office Supply Chain & Emergency Preparedness		-	+		
Supply Chain		-	+		
Emergency Preparedness & Support Response		-	+		
Security	-		+		
Operations Management Support			-	+	
Gender		+	-		
Cash Based Transfer		+		-	
Human Resources	+		-		
Communications				-	+
Executive Board Secretariat			+		-
Office of Deputy Executive Director			-	+	
Strategic Coord & Support (Addis Office)			-		+
Budget reorganization					
Research Assessment & Monitoring	↔	+			

Regional Bureaux

10. Annex I of the document (WFP/EB.1/2019/6/1/Rev.1) indicates that under the new organisational structure, regional directors will be directly accountable to the Executive Director and will have a direct line to escalate challenges and risks to the Executive Director in order to prioritize WFP's field operations. The Executive Director will personally oversee the work and performance of the regional directors whose bureaux together account for 85 percent of WFP's resources. Details are provided in paragraphs 3 to 16, including the revised organisational chart. The report further indicates that allocations for departments' reprioritization of resources and for management priorities remain at USD 39.3 million of the additional PSA, as approved at the 2018 second regular session of the Executive Board (ibid, para. 17). According to the WFP Secretariat, the updated Management Plan (2019–2021) will provide it with an opportunity to increase the use of the PSA budget, with accrued benefits in reduced operational expenditure or increased effectiveness of operations (ibid, para.18).

Staffing and non-post costs

11. Regarding staffing and other costs within the revised structure, the Advisory Committee notes a shift in resources in the amount of USD 346,000 between staff and other costs when comparing the approved Management Plan (2019-2021) with the Update (2019-2021). The Advisory Committee was informed, upon enquiry, that the change was attributable to a reduction in consultancy costs offset by the upgrades of three staff positions, namely: the upgrading of a D-1 to D-2 post and a P-3 to D-1 post under Research Assessment and Monitoring; and, the upgrading of a P-3 to D-2 post in the Washington Office. The Committee was also informed that the funding for the grade difference in the Washington Office was to be funded through utilizing the non-staff budget. **The Advisory Committee stresses that as a matter of good human resource and budgetary practice, proposed post upgrades of more than one level should take place by means of abolishing lower level posts and establishing the new posts with the required justification on their own merits.**

12. The Advisory Committee notes that the Washington Office already has an existing D-2 position. In terms of the responsibilities of the two D-2 posts, the Advisory Committee was informed that they are part of an overall effort to strengthen WFP's strategic presence in order to help the organisation identify additional resource opportunities and strengthen relationships with political leaders and other key influencers in the United States. The Committee was also informed that the new Senior Director in the Washington Office will focus on high-level advocacy and strategic liaison with Government entities, while the Director of the Washington Office will focus on contract management and operational matters.
13. Concerning WFP's Emergency Response Roster (ERR), the Advisory Committee was informed that the roster was established in 2014 and is an annual open call for applications for all staff who wish to make themselves available for emergency deployments in the following year. Successful applicants make themselves available to commence a deployment for a defined three-month period within the year. The ERR may be called upon to deploy members after the declaration of an emergency. WFP found it to be a critical staffing tool, representing one-quarter of WFP's annual deployment fulfilments and providing an opportunity in particular for national staff to be selected for international temporary duties (TDYs) and build up their qualifications and experience.
14. **Subject to its observations and recommendation above, the Advisory Committee has no objections to the update of the WFP Management Plan (2019-2021).**

ANNEX

Comparison Table of 2019 PSA Position Numbers
(Approved WFP Management Plan (2019-2021) vs. Update on the WFP Management Plan (2019-2021))
Additional summary data table - for information only - ACABQ Hearing on WFP Matters (2nd April 2019)

WFP Management Plan (2019-2021)*					Update on the WFP Management Plan (2019-2021)**					Movements between Management Plan and Update				
Position Numbers	Professional	General Service	National	Total posts	Position Numbers	Professional	General Service	National	Total posts	Position Numbers	Professional	General Service	National	Total posts
Total Country Offices	106	-	345	451	Total Country Offices	106	-	345	451	Total Country Offices	-	-	-	-
Country Offices	106	-	345	451	Country Offices	106	-	345	451	Country Offices	-	-	-	-
Total Regional Bureaux	202	-	269	471	Total Regional Bureaux	202	-	269	471	Total Regional Bureaux	-	-	-	-
RB - Asia and the Pacific	33	-	35	68	RB - Asia and the Pacific	33	-	35	68	RB - Asia and the Pacific	-	-	-	-
RB - Middle East, North Africa, C. Asia and E. Europe	46	-	48	94	RB - Middle East, North Africa, C. Asia and E. Europe	46	-	48	94	RB - Middle East, North Africa, C. Asia and E. Europe	-	-	-	-
RB - West Africa	37	-	50	87	RB - West Africa	37	-	50	87	RB - West Africa	-	-	-	-
RB - Southern Africa	26	-	49	75	RB - Southern Africa	26	-	49	75	RB - Southern Africa	-	-	-	-
RB - Eastern and Central Africa	37	-	48	85	RB - Eastern and Central Africa	37	-	48	85	RB - Eastern and Central Africa	-	-	-	-
RB - Latin America and Caribbean	23	-	39	62	RB - Latin America and Caribbean	23	-	39	62	RB - Latin America and Caribbean	-	-	-	-
Total HQ and Corporate	566	380	3	949	Total HQ and Corporate	566	380	3	949	Total HQ and Corporate	-	-	-	(0)
Total HQ	563	379	3	944	Total HQ	563	379	3	944	Total HQ	-	-	-	(0)
Executive Director and Independent Offices	101	31	-	131	Executive Director and Independent Offices	101	31	-	131	Executive Director and Independent Offices	-	-	-	-
Office of the Executive Director	6	8	-	14	Office of the Executive Director	6	8	-	14	Office of the Executive Director	-	-	-	-
Ethics Office	4	2	-	6	Ethics Office	4	2	-	6	Ethics Office	-	-	-	-
Legal Office	24	7	-	31	Legal Office	24	7	-	31	Legal Office	-	-	-	-
Office of the Ombudsman	3	2	-	5	Office of the Ombudsman	3	2	-	5	Office of the Ombudsman	-	-	-	-
Office of Evaluation	24	5	-	29	Office of Evaluation	24	5	-	29	Office of Evaluation	-	-	-	-
Inspector General and Oversight Office	40	7	-	47	Inspector General and Oversight Office	40	7	-	47	Inspector General and Oversight Office	-	-	-	-
Chief of Staff	84	29	-	113	Operations Management Department	58	21	-	79	Chief of Staff (CS) (**)	(26)	(8)	-	(34)
Chief of Staff (CS) (**)	4	-	-	4	Chief of Staff (**)	4	-	-	4	Cash-Based Transfers	(1)	(1)	-	(2)
Cash-Based Transfers	1	1	-	2	Operations Management Support Division	2	6	-	8	Communications	(27)	(13)	-	(40)
Communications	27	13	-	40	Innovation and Knowledge Management	2	1	-	3	Operations Management Support Division	2	6	-	8
Innovation and Change Management	2	1	-	3	Technology	50	14	-	64	Innovation and Change Management	-	-	-	-
Information Technology	50	14	-	64	Deputy Executive Director	90	99	-	189	Information Technology	29	24	(2)	51
Deputy Executive Director	61	75	2	138	Office of Deputy Executive Director	3	3	-	6	Office of Deputy Executive Director	(1)	-	-	(1)
Office of Deputy Executive Director	4	3	-	7	Gender Office	5	1	-	6	Gender Office	(5)	(1)	-	(6)
Gender Office	5	1	-	6	Human Resources Division	49	65	-	114	Human Resources Division	(49)	(65)	-	(114)
Human Resources Division	49	65	-	114	Operations Management Support	1	6	-	7	Operations Management Support	(1)	(6)	-	(7)
Operations Management Support	1	6	-	7	Strategic Coordination and Support Division (Addis Office)	2	-	2	4	Strategic Coordination and Support Division (Including Add	(2)	-	(2)	(4)
Strategic Coordination and Support Division (Addis Office)	2	-	2	4	Supply Chain & Emergency Preparedness & Support Respo	2	1	-	3	Supply Chain & Emergency Preparedness & Support Respo	2	1	-	3
Supply Chain	57	44	-	101	Supply Chain	57	44	-	101	Supply Chain	57	44	-	101
Emergency Preparedness and Support Response	12	3	-	15	Emergency Preparedness and Support Response	12	3	-	15	Emergency Preparedness and Support Response	12	3	-	15
Security Division	4	33	-	37	Executive Board Secretariat	12	15	-	27	Security Division	4	33	-	37
Executive Board Secretariat	12	15	-	27	Programme & Policy Development	63	19	-	82	Executive Board Secretariat	(61)	(45)	-	(106)
Operations Services	123	64	-	187	Office of AED	2	2	-	4	Office of AED	(2)	(1)	-	(3)
Office of AED	4	3	-	7	NGO Partnership Unit	1	-	-	1	NGO Partnership Unit	-	-	-	-
NGO Partnership Unit	1	-	-	1	Supply Chain	57	44	-	101	Supply Chain	(57)	(44)	-	(101)
Supply Chain	57	44	-	101	Emergency Preparedness and Support Response	12	3	-	15	Emergency Preparedness and Support Response	(12)	(3)	-	(15)
Emergency Preparedness and Support Response	12	3	-	15	Programme - Humanitarian & Development	26	8	-	34	Programme - Humanitarian & Development	26	8	-	34
Nutrition	7	3	-	10	Research Assessment & Monitoring	12	3	-	15	Research Assessment & Monitoring	12	3	-	15
School Feeding	9	1	-	10	Cash-Based Transfers	1	1	-	2	Cash-Based Transfers	1	1	-	2
Policy and Programme	34	10	-	44	Nutrition	7	3	-	10	Nutrition	-	-	-	-
Partnerships and Governance	97	56	1	154	School Feeding	9	1	-	10	School Feeding	-	-	-	-
Office of AED	3	3	-	6	Gender Office	5	1	-	6	Gender Office	5	1	0	6
Executive Board Secretariat	12	15	-	27	Partnerships	114	54	3	171	Policy and Programme	(34)	(10)	-	(44)
Government Partnerships Division (Berlin, Paris, Seoul, Tokyo, UAE)	31	16	-	47	Office of AED	3	3	-	6	Office of AED	17	(2)	2	17
Private Sector Partnerships	23	4	1	28	Communications	27	13	-	40	Executive Board Secretariat	(12)	(15)	-	(27)
Rome-based Agencies and CFS	3	1	-	4	Strategic Coordination and Support Division (Addis Office)	2	-	2	4	Communications	27	13	0	40
UN System division (New York, Geneva)	10	5	-	15	Government Partnerships Division (Berlin, Paris, Seoul, Tokyo, UAE)	31	16	-	47	Strategic Coordination and Support Division (Including Add	2	0	2	4
Brussels Office	6	5	-	11	Private Sector Partnerships	23	4	1	28	Government Partnerships Division (Berlin, Paris, Seoul, Tokyo, UAE)	-	-	-	-
Washington Office	9	7	-	16	Rome-based Agencies and CFS	3	1	-	4	Private Sector Partnerships	-	-	-	-
Resource Management	97	124	-	221	UN System division (New York, Geneva)	10	5	-	15	Rome-based Agencies and CFS	-	-	-	-
Office of AED and CFO	2	2	-	4	Brussels Office	6	5	-	11	UN System division (New York, Geneva)	-	-	-	-
Budget and Programming	18	29	-	47	Washington Office	9	7	-	16	Brussels Office	-	-	-	-
Finance and Treasury	30	23	-	53	Resource Management	138	155	-	293	Washington Office	-	-	-	-
Management Services	11	22	-	33	Office of the AED and CFO	2	2	-	4	Management Services	-	-	-	-
Performance Management and Monitoring	15	7	-	22	Budget and Programming	18	29	-	47	Human Resources Division	49	65	0	114
Security Division	4	33	-	37	Finance and Treasury	30	23	-	53	Performance Management and Monitoring	(4,0)	-1	0	-5
Enterprise Risk Management	12	2	-	14	Management Services	11	22	-	33	Security Division	(4,0)	-33	0	-37
Staff Wellness	5	6	-	11	Human Resources Division	49	65	-	114	Enterprise Risk Management	-	-	-	-
Corporate	3	2	-	5	Performance Management and Reporting	11,0	6,0	-	17	Staff Wellness	-	-	-	-
Central appropriations	3	2	-	5	Enterprise Risk Management	12	2	-	14	Corporate	-	-	-	-
Grand Total	874	380	617	1.871	Staff Wellness	5	6	-	11	Central appropriations	-	-	-	-
					Corporate	3	2	-	5	Grand Total	-	-	-	-
					Central appropriations	3	2	-	5					
					Grand Total	874	380	617	1.871					

*WFP Management Plan (2019-2021) WFP/EB.2/2018/G-A/1/Rev.1
 **Update on the WFP Management Plan (2019-2021) WFP/EB.1/2019/G/1