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Executive Board documents are available on WFP's website (<https://executiveboard.wfp.org>).

Report on the utilization of WFP's strategic financing mechanisms (1 January–31 December 2022)

Draft decision*

The Board takes note of the report on the utilization of WFP's strategic financing mechanisms for the period 1 January–31 December 2022 (WFP/EB.A/2023/6-B/1/Rev.1).

* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

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Introduction

1. WFP is funded entirely by voluntary contributions, which are used to deliver life-saving and life-changing assistance to vulnerable people around the world. The timing of funding and availability of food is a critical factor influencing WFP's capacity to respond rapidly to humanitarian needs. WFP's strategic financing mechanisms enable country offices to act immediately by providing corporate funding for starting food procurement processes, deploying staff, initiating cash-based transfers, registering targeted beneficiaries and other activities. Such funding is "revolved", i.e., repaid once donor contributions are received.
2. In the context of unprecedented global crisis and all-time record level donor contributions of USD 14.2 billion in 2022, WFP strategic financing mechanisms enabled it to assist its beneficiaries timely and effectively.
3. The present report describes WFP's use of its strategic financing facilities in 2022. This includes advance financing for programmes provided through internal project lending (IPL) and the Immediate Response Account (IRA); the anticipatory procurement of food through the Global Commodity Management Facility (GCMF); and corporate services financing which enables WFP to provide services economically and efficiently through three mechanisms.

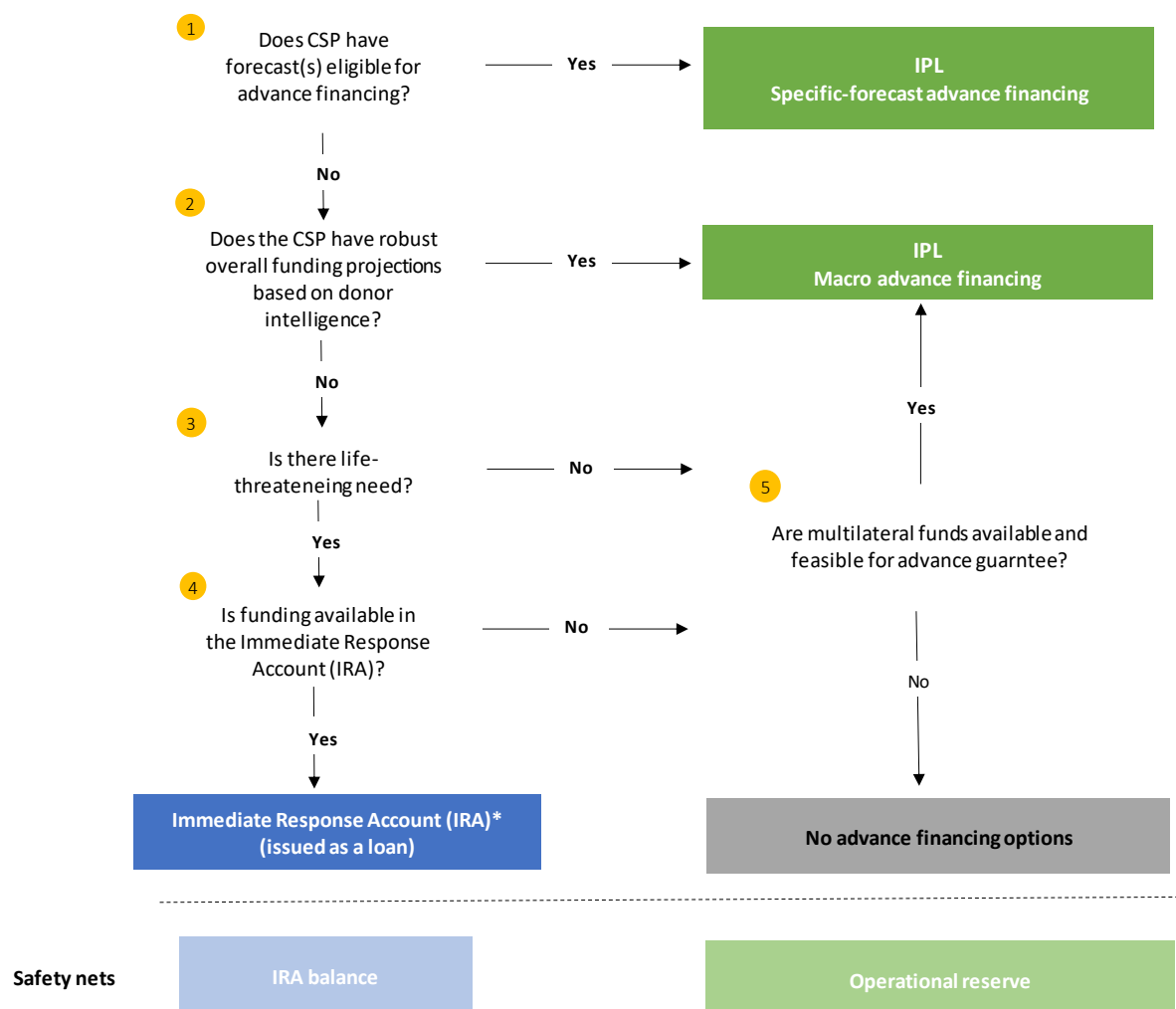
I. Advance financing mechanisms

4. Throughout 2022 WFP used two mechanisms to provide programmes with advance spending authority:
 - i) *Internal Project Lending*: IPL is revolving advance financing that enables country offices to incur financial commitments and expenditures for programmes before contributions to the programmes are confirmed. It helps WFP to address operational shortfalls and reduce the time required for assistance to reach beneficiaries. IPL can be allocated based on either a specific forecast contribution, referred to as "specific forecast advance financing," or projected total funding for a programme, known as "macro advance financing" (MAF). Both specific forecast advance financing and macro advance financing are managed within an IPL ceiling.¹
 - ii) *Immediate Response Account*: The IRA enables WFP to provide immediate assistance through the allocation of flexible, replenishable, revolving multilateral funds to critical life-saving activities in the absence of forecast contributions. Advances are drawn directly from the IRA reserve, which is replenished through donor contributions and repayments or transfers from reserves or other internal accounts.

¹ For more information on strategic financing ceiling see para. 12 et seq. below, para. 34 et seq. below and the report entitled "[Increase of strategic financing authority ceilings](#)" (WFP/EB.1/2022/5-B/1).

5. Figure 1 illustrates the process followed when deciding whether to use IPL or the IRA.

Figure 1: Decision-making process for using internal project lending or the Immediate Response Account



* If contributions that can be used to repay an IRA advance are not received the advance may be converted to a grant at the end of the term of the relevant country strategic plan (CSP).

Use of internal project lending in 2022

6. IPL provides advance financing for activities under a CSP when the period for which forecast contributions can be used aligns with the financing needs and all other donor conditions are met. In 2004, the year when this form of advance financing was introduced,² USD 27.1 million was advanced to country offices. By 2013 the annual amount advanced had grown to USD 675.2 million, and strong demand for advance financing called for the review and restructuring of WFP's Working Capital Financing Facility in 2014.³ Table 1 shows the value of advances made since the restructuring of the Working Capital Financing Facility. In 2022, the total value advanced reached a new record of USD 2.574 billion, comprising USD 2.38 billion in specific forecast advance financing (see annex I) and USD 193.5 million in macro advance financing.

² "Business Process Review: Working-Capital Financing" (WFP/EB.1/2005/5-C).

³ "Financial Framework Review: Restructuring of the Working Capital Financing Facility" (WFP/EB.A/2014/6-D/1).

7. The 19 percent increase in IPL (including MAF) in 2022 reflects the rising global need and record contributions to WFP. Advances were provided for activities under 60 CSPs, giving country offices access to funds an average of 75 days before contributions for those activities were confirmed.

TABLE 1: INTERNAL PROJECT LENDING (2014–2022) <i>(USD million)</i>			
Year	Specific forecast advance financing	Macro advance financing	Total IPL amount advanced
2014	1 092.8	–	1 092.8
2015	777.5	–	777.5
2016	1 072.4	100.7	1 173.1
2017	1 277.7	36.0	1 313.7
2018	1 248.5	98.7	1 347.2
2019	1 616.4	197.7	1 814.1
2020	1 436.4	106.7	1 543.1
2021	1 996.2	190.6	2 186.8
2022	2 380.5	193.4	2 573.9
Total	12 898.4	923.8	13 822.2

8. The five country offices that received the most specific forecast advance financing in 2022 were those for Afghanistan (USD 421.3 million), Ukraine (USD 382.8 million), the Syrian Arab Republic (USD 231.8 million), Ethiopia (USD 160.0 million) and Yemen (USD 124.8 million). These five operations alone accounted for 55 percent of the total specific forecast advance financing for the year.

Afghanistan

The humanitarian crisis in Afghanistan remains one of the world's largest. Decades of conflict, extreme climate shocks and severe economic decline characterized by high unemployment, cash shortages and rising food prices have plunged millions into poverty. Nearly half of Afghanistan's people are acutely food insecure, while the global food and fuel crisis makes it harder for already vulnerable households to meet their basic food needs. In response to unprecedented hunger and vulnerability, WFP scaled-up humanitarian operations to reach 23 million people with emergency food, nutrition and livelihood support in 2022. Activities under the Afghanistan CSP benefitted from nine IPL allocations, the largest of which was USD 225 million. The advances were used to provide food and cash-based transfers to meet the basic food needs of vulnerable and food-insecure people. Of the USD 421.3 million allocated, USD 257 million was advanced against the supplemental funding from the Bureau for Humanitarian Assistance to address rising global food insecurity, while USD 50.5 million was used to support malnutrition prevention activities. The allocations allowed the Afghanistan country office to initiate the assistance to beneficiaries an average of 38 days before contributions were confirmed.

Ukraine

The war in Ukraine has had drastic consequences, both for people inside the country and for those around the world dependent on its huge grain supplies. It has caused one of the fastest forced population movements since the Second World War. WFP set out to assist 4.7 million beneficiaries per month in 2022, and it consistently supported around 3 million per month.

IPL was critical in meeting timely humanitarian needs in Ukraine. Twelve advances totalling USD 382.8 million allowed WFP to provide a flexible mix of food and cash assistance, working with local partners to distribute food in areas near the frontline and providing cash transfers wherever people had access to banks and food markets. Of the total advanced, USD 271.7 million was repaid using a contribution from the United States of America. Advance financing enabled the country office to initiate the process of delivering assistance an average of 23 days before contributions were confirmed.

9. As noted above, MAF is a subset of IPL through which the amount of advance financing is based on an overall funding forecast rather than specific expected contributions. The forecast itself is based on the likely funding intentions of donors and a review of recent resourcing trends for the country offices involved. Of the total IPL ceiling, the annual maximum that can be utilized for MAF is USD 270 million.⁴
10. Table 2 shows the country offices that had outstanding MAF as of 31 December 2022. All MAF advanced in 2022 has been fully repaid except for a USD 38.1 million advance to the Sudan country office that was allocated in 2021, of which USD 20.1 million remains outstanding and is expected to be fully repaid by the end of 2023.

TABLE 2: MACRO ADVANCE FINANCING OVERVIEW (USD million)			
Year	Recipient country office	MAF advanced amount	MAF outstanding as of 31 December 2022
2021	Sudan	38.1	20.1
2022	Yemen	76.0	0
2022	South Sudan	38.2	0
2022	Afghanistan	30.5	0
2022	Ukraine	23.9	0
2022	Mozambique	22.2	0
2022	Djibouti	2.4	0
Total	Total	231.5	20.1

11. The benefits of MAF are widely recognized, and flexible contributions enable the repayment of MAF advances, allowing WFP to give spending authority to country offices based on overall funding projections. This is another reason that WFP continues to advocate flexible contributions and minimal earmarking.

⁴ "Increase of strategic financing authority ceilings" (WFP/EB.1/2022/5-B/1).

Yemen

Yemen remains embroiled in one of the world's most concerning humanitarian crises. Protracted conflict and the destruction of infrastructure and basic public services, coupled with economic collapse and pre-existing structural issues such as widespread poverty, have exposed large segments of the Yemeni population to unprecedented levels of food insecurity, malnutrition and disease.

With a worrying funding situation at the start of 2022, the country office had to alert all parties and stakeholders that it would implement a reduction in assistance in the first month of the year. MAF, which has been fully repaid now, enabled the country office to procure GCMF stock to cover the most imminent shortfalls in life-saving general food assistance, nutritious food assistance and United Nations Humanitarian Air Service services while waiting for contributions to be confirmed.

Internal project lending ceiling

12. In 2022 WFP management requested the Board to increase the IPL ceiling twice⁵ to respond to rapidly escalating food insecurity and humanitarian need. The frequency with which the facility ceiling had to be increased signalled that a fixed ceiling was no longer fit-for-purpose in an uncertain and rapidly worsening humanitarian environment. To manage increases in strategic financing ceilings more efficiently, management proposed to change them from fixed United States dollar amounts to percentages of WFP's global contribution forecast. Such an approach provides critical working capital for WFP's strategic financing that enables management to proactively anticipate, prepare for and respond to emergencies with speed and agility and in line with the projected support from donors.
13. As part of the management plan for 2023–2025,⁶ the Board at its 2022 second regular session approved management's request, thus setting the IPL ceiling at 10 percent of the prevailing global contribution forecast at any given time, with the additional proviso that it not exceed the operational reserve ratio of 10:1.⁷ In anticipation of higher IPL the Board also approved an increase in the operational reserve from USD 95.2 million to USD 130 million.⁸
14. WFP's risk mitigation measures have been effective in minimizing the need to write-off losses caused by a failure to repay advance financing. The operational reserve, available in the event that forecast contributions do not materialize, has been used only twice since the use of IPL began, at a total cost of USD 8.1 million.⁹
15. WFP takes a systematic approach to managing IPL, which includes a robust forecasting process and a strong trend analysis that are regularly captured in WFP's Salesforce platform. WFP also engages in continuous dialogue with donor governments with the aim of increasing the predictability and flexibility of grant validity periods so that pledged contributions can reliably be used as collateral, i.e., so that plans to use pledged contributions to repay advance financing can be made with confidence, with the possibility of default minimized.

⁵ The IPL ceiling was increased in January 2022 to USD 760 million with the approval of the Board and then again to USD 950 million in June 2022.

⁶ "WFP management plan (2023-2025)" (WFP/EB.2/2022/5-A/1/Rev.1).

⁷ Decision 2022/EB.2/5, "Decisions and recommendations of the 2022 second regular session of the Executive Board" (WFP/EB.2/2022/11), p. 5.

⁸ *Ibid.*

⁹ The unrecovered advances comprised one for USD 5.9 million for a protracted relief and recovery operation in the Democratic Republic of the Congo in 2005 and one for USD 2.2 million for the United Nations Humanitarian Air Service in 2011.

Use of the Immediate Response Account in 2022

16. The IRA is WFP's reserve for the immediate allocation of flexible, replenishable, revolving multilateral funding to critical life-saving activities. It is replenished by directed contributions (i.e., contributions designated by their donors specifically to replenish the IRA); other discretionary and fully flexible donor contributions; and, subject to Board approval, transfers from reserves. The term "revolving" means assigning contributions received to costs incurred by an operation and therefore, returning the IRA funds back to the IRA reserve.
17. An IRA allocation requires no specific forecast contribution to serve as collateral. It can be repaid, or "revolved", with any confirmed contributions so long as any conditions attached to the contributions allow that. When a CSP comes to an end, any IRA allocations that have not been repaid can be converted into grants.
18. In 2022 WFP completed a revitalization of the IRA as part of a larger effort to update WFP's corporate mechanisms to ensure that WFP operates at the highest standards in its approach to emergency response. The principal objective of the revitalization was to ensure that financial resources sufficient to initiate life-saving emergency assistance are immediately available.
19. The IRA opening balance in 2022 was USD 43.7 million; throughout the year the IRA received USD 501.5 million in revenue, comprising USD 101.1 million from directed contributions, USD 220.4 million from revolved funds and USD 180.0 million from other WFP funds such as multilateral contributions and funds from the programme support and administrative equalization account (PSAEA) (see annex II), as illustrated in table 3.

TABLE 3: IMMEDIATE RESPONSE ACCOUNT MOVEMENTS, 2012-2022 (USD million)

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Directed IRA contributions	56.2	52.1	53.1	50.2	33.9	33.2	29.6	22.6	24.7	64.0*	101.1
Revolved funds	82.4	88.6	132.6	95.3	125.2	114.5	68.3	150	82.5	70.4	220.4
Other WFP funds	-	-	-	57.1	13.7	28.7	67.1	23.1	77.5	53.8	180.0
<i>Multilateral contributions</i>	-	-	-	-	13.7	13.7	23.1	23.1	25.0	30.6	50.0
<i>PSAEA</i>	-	-	-	50.0	-	15	44	-	52.5	-	30.0
<i>Others</i>	-	-	-	7.1	-	-	-	-	-	23.2	100.0**
Total revenue	138.6	140.7	185.7	202.6	172.8	176.4	165.0	195.7	184.7	188.2	501.5
Allocations	126.1	165.3	182.0	164.2	215.2	154.2	144.2	161.0	188.5	220.0	385.0

* This figure excluded USD 3.1 million confirmed contributions from private donors in 2021 that were transferred to the IRA reserve in January 2022.

** Transfer from unearmarked general funds (see annex II).

20. IRA allocations in 2022 totalled USD 385.0 million (see annex III) for activities under 36 CSPs. CSPs for the following eight countries accounted for 80 percent of the IRA allocations: Somalia (USD 98.8 million), Yemen (USD 46.9 million), Afghanistan (USD 46.9 million), Democratic Republic of the Congo (USD 32.7 million), Madagascar (USD 25.0 million), Nigeria (USD 23.5 million), Pakistan (USD 18.8 million) and Haiti (USD 14.7 million). At the end of 2022 the IRA balance was USD 160.0 million.

21. Around USD 2.7 million was allocated to emergency preparedness activities, enhancing WFP's capacity to respond to unfolding humanitarian crises in Madagascar, Sri Lanka, Uganda and Ukraine.
22. Despite record high directed contributions and funds revolved, the IRA came under considerable strain in 2022 because – amid the global food crisis, climate emergencies and record food insecurity – allocations from the IRA to country offices also reached a record high of USD 385 million. As a result, the account required the largest ever injection of funding from multilateral contributions, PSAEA and unearmarked general funds.

Somalia

Somalia is experiencing a food security crisis as a result of three consecutive failed rains since 2020. In June 2022 an Integrated Food Security Phase Classification (IPC) review suggested that 6 million people – nearly 40 per cent of Somalia's population – required food assistance (IPC phase 3 and higher), including 1.7 million people in IPC phase 4 ("emergency") and 81,000 people in IPC phase 5 ("famine"). Recurrent climate-induced shocks, insecurity, protracted conflict, environmental degradation, limited investment and poor infrastructure continue to affect food systems, hindering the availability of and access to nutritious foods and adequate nutrient intake. In addition, Somalia is at risk of famine due to worsening drought.

This dire pre-famine situation was compounded by severe resource limitations. In the context of a widening gap between food insecurity and available resources, the WFP country office was forced to prioritize assistance to the most vulnerable, emphasizing life-saving assistance.

A life-saving allocation of USD 98.8 million from the IRA allowed the country office to provide immediate cash-based transfers and specialized nutritious food to support malnutrition prevention programmes nationwide and treatment for moderate acute malnutrition. The combined benefits of the IRA and the GCMF inventory allocated to Somalia enabled the country office to receive food at handover locations for subsequent distribution on average 20 days after receiving advance funds.

Madagascar

The compounding effects of prolonged and consecutive droughts, devastating cyclones, the coronavirus disease 2019 (COVID-19) pandemic and the Ukraine conflict continue to drive acute food insecurity in the southern and southeastern parts of Madagascar. where the nutrition situation is critical.

On 5 February, tropical cyclone Batsirai, a category 3 cyclone, hit the east coast of Madagascar with an average wind speed of 165 km/h and up to 235 Km/h. Through the IRA, USD 15.4 million was allocated to Madagascar to provide 360,000 people with life-saving in-kind assistance and cash-based transfers.

II. Global Commodity Management Facility

23. The GCMF is a strategic financing mechanism through which WFP purchases food in anticipation of country office operational needs and confirmed contributions, with the objective of reducing lead times for food deliveries (especially in emergencies), purchasing food when market conditions are most favourable, enabling economies of scale and facilitating local and regional procurement.
24. Through GCMF operations WFP maintains food inventories for supply lines in East, West and Southern Africa, the Middle East and Asia plus a global inventory of nutritious food available for all WFP country offices. These inventories are replenished using corporate funding on the basis of aggregated demand and the projected resources for countries with common logistics corridors. Food purchased through the GCMF is released for specific operations when they have funding available from confirmed contributions or other advance financing.

Highlights of Global Commodity Management Facility operations in 2022

25. Throughout 2022 the GCMF continued to play an essential role in enabling WFP to reach beneficiaries more effectively and efficiently by providing a steady supply of food with shorter lead times and greater value for money than could be achieved through conventional procurement processes. This was especially important in the context of the global food crisis as food and nutrition security continued to deteriorate rapidly fuelled by conflict, climate shocks and the COVID-19 pandemic, compounded by the ripple effects of the war in Ukraine.
26. In this context, thanks to anticipatory purchases of food, an additional benefit of the GCMF was to delay the impact of the global food crisis on the operations that purchased food from it by allowing more time for country offices to secure resources and adjust to increased food prices. In 2022 the GCMF delivered 2.9 million mt of food valued at USD 2.3 billion to 53 country offices. A total of 71.7 million beneficiaries, representing 66.5 percent of beneficiaries receiving food transfers, benefited from at least one GCMF commodity in their food baskets.
27. Of all country office food purchases in 2022, 65 percent by volume was purchased through the GCMF. Country offices were thus able to receive their food in an average of 34 days, 72 percent faster than the average 120 days for conventional procurement; this demonstrates the capacity of the GCMF to mitigate global supply chain disruptions and facilitate a steady supply of food.
28. The GCMF has played a key role in supporting corporate emergency response. In 2022, 93 percent of food delivered to country offices from the GCMF, or 2.7 million mt, was delivered to operations under corporate attention or corporate scale up. The GCMF food purchased by the country offices involved in those operations represents 68 percent of their overall food purchases. Certain operations such as those in Ethiopia, Nigeria, Somalia and South Sudan rely almost completely on the stable and fast supply of food from the GCMF inventory.
29. WFP utilizes a wide range of specialized nutritious foods (SNF) to improve the nutritional intake of the people it assists around the world. The GCMF plays a particularly valuable role in the delivery of these foods; reducing the lead time for SNF is critical to addressing the acute needs of WFP's most vulnerable beneficiaries. A significant share of the GCMF ceiling is therefore allocated to maintaining a continuous global supply of SNF, key to WFP's nutrition programmes.
30. In 2022 the GCMF supplied 350,000 mt of SNF valued at USD 659 million;¹⁰ this was 95 percent of the total volume of SNF procured by country offices and a 59 percent increase in volume over 2021. Forty-five country offices purchased SNF from GCMF, receiving it in an average of 39 days, 76 percent faster than conventional procurement (requiring on average 150 days).
31. Consistent challenges with the limited capacity of global suppliers and long lead times for SNF led WFP to develop a long-term global SNF strategy, a collaborative effort between the corporate planning and performance, nutrition and supply chain operations divisions to improve prioritization, ensure continuous production and maximize supplier capacity. Amid the global food crisis and record demand, WFP moved to secure a reliable and continuous supply of SNF and in December 2022 had year-end commitments exceeding USD 450 million, including orders placed to secure international production capacity for lipid-based nutrient supplements spanning all of 2023.

¹⁰ Refers to food and associated costs (e.g., warehousing, transport etc.).

32. To build community resilience, the GCMF fosters local purchases and supports the creation of income-generating opportunities. In 2022, 37 percent of country office food purchases through the GCMF were sourced from local and regional markets, reaching 1.1 million mt (valued at USD 722 million (see annex IV)). While the share of local and regional purchases for the West Africa supply chain remained stable, a slight decrease was observed in the East Africa supply chain, mainly driven by decreased availability of maize in local and regional markets.
33. In support of local food systems, in 2022 the GCMF procured 106,300 mt (with a food value of USD 55.8 million) from smallholder farmers; this represents a 13 percent increase in volume over 2021 and 82 percent of all WFP total purchases from smallholder farmers. This was also the result of WFP's local and regional food policy, which is aimed at strengthening demand and supply analysis and the identification of opportunities to procure from smallholder farmers.

Global Commodity Management Facility ceiling

34. Over the years, the GCMF ceiling has risen in line with the growth of the funded programme of work and increased demand (table 4). In 2021, GCMF sales accounted for 16 percent of the funded programme of work. In 2022, GCMF sales increased by 49 percent compared with the previous year and accounted for 16 percent of the funded programme of work, valued at a record USD 14 billion.
35. As discussed at beginning of paragraph 12 above, in response to rapidly escalating food insecurity and humanitarian need the Executive Board in its decision 2022/EB.2/5 set a new IPL ceiling at 10 percent of the prevailing global contribution forecast. By that same decision the Board also adopted the same ceiling for the GCMF.

Year	Funded programme of work* (USD million)	GCMF ceiling (USD million)	GCMF ceiling as % of programme of work	GCMF sales (USD million)	GCMF sales as % of programme of work	GCMF capital rotation**
2016	5 900	350	5.9	636.6	10.8	1.8
2017	6 100	350	5.7	861.0	14.1	2.5
2018	7 300	500	6.8	917.2	12.6	1.8
2019	8 100	560	6.9	932.2	11.5	1.7
2020	8 400	560	6.7	942.8	11.2	1.7
2021	9 600	660	6.9	1 532.0	16.0	2.3
2022	14 200	950	8.4	2 286.2	16.0	2.4

* Source: for 2016–2022: actual contribution revenue.

** GCMF capital rotation: Sales/GCMF ceiling.

36. There is minimal risk involved in the purchase of commodities through the GCMF because it entails the exchange of cash for commodities. In fact, no financial losses have been recorded since the GCMF was established because all incidents with food purchased through GCMF, such as losses caused by problems with quality, packaging or expiration, have been fully covered by WFP's self-insurance scheme.

37. In 2022 GCMF food involved in such incidents was valued at USD 1.8 million, less than 0.1 percent of the total value of the food purchased through the facility during the year (USD 2.3 billion, food value only).
38. This amount was fully recovered through WFP's self-insurance coverage, thanks to which the current operational reserve of USD 6 million, set in 2014, is still deemed a sufficient safety net for the GCMF.
39. As part of its risk mitigation measures WFP uses a systematic cross-functional approach to ensure the security of GCMF goods. These measures include a robust demand planning and forecasting process and procurement, transportation, warehousing, commodity accounting and commodity tracking policies and processes applicable to all WFP commodities.

Multiplier effect of advance financing (IPL, IRA) and GCMF

A significant benefit of using the IPL, IRA and GCMF in combination is that it enables WFP to anticipate its interventions by providing assistance and food for operations before contributions to those operations are confirmed by donors. The multiplier effect of these mechanisms is maximized when advance financing (IPL and IRA) is given to country offices and GCMF stocks are physically available at handover locations.

In 2022 country offices purchased 2.9 million mt of mixed commodities from the GCMF, representing 65 percent of all food purchased by country offices. To make the best use of donor contributions country offices financed 25 percent of their food purchases from the GCMF using advance financing (IPL and IRA); of the 709,000 mt thus purchased, 250,000 mt were in stock, available for immediate handover at the time of purchase.

Country offices can take possession of GCMF stock available at the handover point within a day of receiving donor contributions, avoiding the average 120-day wait of the conventional procurement and transportation process. Furthermore, the advance financing mechanisms give country offices the spending authority to purchase food from GCMF immediately, obviating the need to wait the average 75 days that it takes for contributions to be confirmed.

Such lead time gains and early deployment of resources is especially effective and critical when food must be pre-positioned close to distribution centres, in countries where there is no access during certain months of the year due to adverse weather conditions, such as Afghanistan and South Sudan, and in countries where there are protracted emergencies and volatile funding outlooks.

III. Corporate services financing

40. WFP provides efficient services through three corporate services mechanisms: the Fleet Centre, the Capital Budgeting Facility and fee-for-service activities. These mechanisms are internal tools for managing operations flexibly and do not require contributions from donors. With the Board's approval of the management plan for 2023–2025, the overall ceiling for corporate services was increased from USD 147 million in 2022 to USD 200 million in 2023. The portion of the overall corporate services financing ceiling allocated to each mechanism is based on projected demand; if the projections change, the allocation among the mechanisms may be adjusted within the overall ceiling.
41. In 2022, as shown in table 5, USD 50.6 million was allocated to the projects described in the following paragraphs and USD 28.7 million was repaid; the balance of outstanding advances at 31 December 2022 was USD 73.5 million.

TABLE 5: CORPORATE SERVICES OVERVIEW (USD million)

Facility	Total availability	Outstanding (1 January 2022)	Repayment	Allocation	Outstanding (31 December 2022)	End balance
Capital Budgeting Facility	82.0	32.5	8.2	37.6	61.9	20.1
Fee-for-service	50.0	9.1	20.5	13.0	1.6	48.4
Fleet Centre	15.0	10.0	0.0	0.0	10.0	5.0
Total	147.0	51.5	28.7	50.6	73.5	73.5

42. All repayments required in 2022 were made. Repayment is expected in full in accordance with the terms of the agreed repayment plan or earlier if feasible. When repayment is not made in accordance with the agreed repayment plan the relevant country office or requesting office must request an extension with an explanation of the progress of the funded activity and the reason the outstanding payment cannot be made on time. As a mitigation measure the requesting unit will analyse and identify other available resources that can be used to ensure full repayment.
43. The Capital Budgeting Facility provides upfront financing for capital projects that can demonstrate quantifiable economic benefits and efficiency gains. In 2022, USD 37.6 million was disbursed from the facility for the development of a human capital management platform and the implementation of the private sector partnerships and fundraising strategy; additional funds were advanced to support cash-based transfer data assurance services, the renovation and rehabilitation of WFP premises in Chad, Mali, Somalia, Uganda and Zimbabwe and the construction of a new logistics compound in the Sudan.
44. Repayments to the Capital Budgeting Facility in 2022, amounting to USD 8.2 million, were made by the South Sudan country office for activities related to biometric registration and WFP's digital beneficiary information and transfer management platform, by the Mali and Philippines country offices for the renovation and rehabilitation of their premises and by the Afghanistan and Ethiopia country offices against the advance provided for the augmentation of their truck fleet. The balance of outstanding advances as of 31 December 2022 was USD 61.9 million.
45. The fee-for-service financing facility provides advances to cover the costs of internal services provided centrally; advances are repaid throughout the year from fees collected for services rendered. In 2022, as shown in table 5, fee-for-service financing of USD 13 million was advanced for corporate information technology services. A total of USD 20.5 million was received in repayment of advances released in 2022 and prior years to fund activities relating to corporate information technology, staff security, cash-based transfer identity management and global asset services.¹¹ The balance of the outstanding fee-for-service advances as of 31 December 2022 was USD 1.6 million.
46. The Fleet Centre financing facility provides advances to the Global Vehicle Leasing Programme to cover the capital and operational costs of fleet services, the special account for vehicle insurance and the global truck fleet.

¹¹ The Global Asset Service project provides service for the sale and disposal of WFP assets by public auction.

47. These costs are subsequently recovered through vehicle leasing fees charged to country offices and other users of the services provided. This financing mechanism enables WFP to optimize centralized procurement through the bulk purchase of vehicles; meanwhile a transparent leasing service mechanism and five-year light vehicle and eight-year armoured vehicle lifecycles enable WFP offices to plan their funding effectively. No new allocations were made in 2022. The outstanding amount as of 31 December 2022 was USD 10 million. To consolidate all requests for fleet services into one fund, the outstanding amount of USD 14 million associated with the global truck fleet and allocated from capital budgeting financing was transferred to the Fleet Centre at the beginning of 2023.

ANNEX I**2022 internal project lending: Specific forecast advance financing***Excluding macro advance financing*

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Afghanistan	Malnutrition prevention activities	Germany	3.8
		United States of America	31.9
		Germany	14.8
	Unconditional resource transfers to support access to food	Finland	3.1
		Germany	53.7
		United Kingdom of Great Britain and Northern Ireland	17.5
		United States of America	225.1
		World Bank	49.0
	Asset creation and livelihood support activities	Germany	22.3
Algeria	Unconditional resource transfers to support access to food	European Commission	4.2
	Malnutrition prevention activities	European Commission	0.2
Angola	Food and voucher transfers to refugees	United States of America	0.1
Bangladesh	Crisis response for affected people	European Commission	5.6
		Germany	0.6
		United Kingdom of Great Britain and Northern Ireland	2.8
		United States of America	39.9
		United Nations Central Emergency Response Fund	3.3
	Service delivery	United States of America	1.4
Benin	School meals activities	Benin	18.7
Bolivia (Plurinational State of)	Crisis response for affected people	Germany	0.3

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Burkina Faso	Unconditional resource transfers to support access to food	European Commission	20.0
		United States of America	36.2
		Germany	0.6
	Food assistance to primary school children	Germany	3.4
	Targeted supplementary feeding for children, pregnant women and nursing mothers and antiretroviral therapy clients	Germany	3.8
	Asset creation and livelihood support activities	Germany	12.6
		United States of America	0.6
Burundi	Unconditional resource transfers to support access to food	Germany	0.9
		Germany	0.5
Cameroon	Unconditional resource transfers to support access to food	European Commission	8.9
		Germany	3.5
		United States of America	4.5
Caribbean Community	Crisis response for affected people	Germany	0.4
Central African Republic	General food distribution	United States of America	14.1
	Supplementary feeding programme	Germany	0.8
	School meals programme	Germany	1.3
	Asset creation and livelihood support activities	Germany	5.8
	Institutional capacity strengthening activities	Germany	0.3
		Germany	0.2
	Humanitarian air services	Germany	1.9
Chad	Crisis response for affected people	European Commission	2.6
		Germany	2.1
		United States of America	3.5
	School meals programme	Germany	3.8

Country office	Activity category	Forecasts	Total amount advanced (USD million)
	Seasonal food assistance	European Commission	5.1
		United States of America	8.0
		United Nations Central Emergency Response Fund	4.4
	Malnutrition prevention activities	European Commission	0.7
		Germany	2.6
		United States of America	0.6
		United Nations Central Emergency Response Fund	0.5
		Chad	16.6
		Germany	1.2
	Asset creation and livelihood support activities	Germany	8.6
Colombia	Crisis response for affected people	Germany	1.2
		United States of America	1.3
		United Nations Central Emergency Response Fund	0.7
	Asset creation and livelihood support activities	United States of America	0.8
Congo	Crisis response for affected people	Germany	1.6
		United States of America	0.5
Cuba	Crisis response to affected people	Germany	0.4
Democratic Republic of the Congo	Malnutrition prevention activities	Germany	1.2
	Crisis response to affected people	European Commission	6.6
		Germany	4.9
Djibouti	Emergency response and preparedness	Germany	0.7
Dominican Republic	Unconditional resource transfers to support access to food	Germany	0.1
Ecuador	Unconditional resource transfers to support access to food	Germany	1.2

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Egypt	School meals programme	Germany	1.3
	Unconditional resource transfers to support access to food	Germany	1.2
	Malnutrition prevention activities	Germany	1.6
	Resilience and livelihoods	Germany	6.5
El Salvador	Unconditional resource transfers to support access to food	Germany	0.4
Eswatini	Unconditional resource transfers to support access to food	Germany	0.4
Ethiopia	Malnutrition prevention activities	Austria	0.8
		United States of America	21.8
		United Arab Emirates	6.6
	Unconditional resource transfers to support access to food	European Commission	6.5
		Germany	2.3
		United States of America	69.4
		United Arab Emirates	29.1
		Germany	9.9
		United Arab Emirates	6.6
	Supply chain services	United States of America	7.0
Guatemala	Crisis response for affected people	Germany	0.6
Haiti	Crisis response for affected people	Germany	0.4
		United Nations Central Emergency Response Fund	1.9
	Humanitarian air services	Germany	1.9
Honduras	Crisis response for affected people	Germany	1.3
Iran (Islamic Republic of)	Conditional support	Germany	0.2
	Unconditional resource transfers to support access to food	Germany	1.9

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Iraq	General food distribution	Canada	1.2
		Germany	2.4
		United States of America	9.9
	Resilience and livelihoods	Germany	17.1
	Institutional capacity strengthening activities	Germany	1.0
Jordan	Crisis response for affected people	Germany	45.7
		United States of America	26.4
Kenya	Food assistance for refugees	Germany	2.8
		United States of America	12.8
		Other United Nations funds, programmes and other entities (excluding United Nations Central Emergency Response Fund)	7.3
		United States of America	20.2
	Asset creation and livelihood support activities	Germany	3.1
		United States of America	12.2
	Supply chain services	Germany	0.8
	Institutional capacity strengthening activities	Germany	1.4
Lebanon	Unconditional resource transfers to support access to food	Austria	3.0
		Germany	9.5
		United States of America	11.3
	Asset creation and livelihood support activities	Germany	3.0
	Individual capacity strengthening activities	Germany	2.0
Lesotho	Unconditional resource transfers to support access to food	Germany	0.9
Libya	Unconditional resource transfers to support access to food	Austria	0.7

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Madagascar	Crisis response for affected people	European Commission	4.0
		Germany	1.7
		United States of America	5.0
	School meals programme	Germany	4.5
	Humanitarian air services	European Commission	0.2
		Germany	0.8
Malawi	Crisis response for affected people	Germany	0.4
Mali	General food distribution	European Commission	2.3
		Germany	3.5
		United States of America	7.5
	Safety net and school feeding programme	Germany	0.2
	Malnutrition prevention activities	Germany	0.2
	Asset creation and livelihood support activities	Germany	2.1
	Institutional capacity strengthening activities	Germany	0.0
		United States of America	0.3
	Humanitarian air services	United States of America	0.4
Mauritania	Food and nutrition assistance	Germany	2.1
	School meals programme	Germany	2.4
	Unconditional resource transfers to support access to food	United States of America	0.6
	Malnutrition prevention activities	Germany	1.5
	Livelihood support programme	Germany	0.9
Mozambique	Crisis response for affected people	European Commission	5.9
	Food systems and livelihoods	Germany	2.3
	School feeding programme	Germany	2.3
	Humanitarian air services	European Commission	0.2
		Germany	0.8

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Myanmar	Crisis response for affected people	European Commission	2.1
		United States of America	5.2
	Malnutrition prevention activities	European Commission	0.8
		United States of America	0.5
Namibia	School feeding capacity strengthening	Namibia	0.1
Nepal	Food security monitoring and analysis	United Nations Central Emergency Response Fund	1.9
Nicaragua	Social protection programme	Luxembourg	0.9
	Crisis response for affected people	Germany	1.4
Niger	Crisis response for affected people	European Commission	9.9
		Germany	3.7
		United States of America	22.9
	School meals programme	European Commission	0.8
		Germany	7.7
	Malnutrition prevention activities	European Commission	0.5
		Germany	5.1
		United States of America	1.4
	Resilience and livelihoods	European Commission	5.8
		Germany	25.9
		United States of America	2.0
	Institutional capacity strengthening activities	European Commission	0.8
		Germany	1.8
	Humanitarian air services	Germany	2.0
		United States of America	0.4
Nigeria	Unconditional resource transfers to support access to food	European Commission	14.4
		Germany	3.9
		United States of America	31.5

Country office	Activity category	Forecasts	Total amount advanced (USD million)
Pakistan	Asset creation and livelihood support activities	Germany	3.8
	Humanitarian and recovery assistance	Germany	5.1
		United States of America	24.4
	Institutional capacity strengthening activities	United States of America	0.8
Philippines	Unconditional resource transfers to support access to food	United States of America	1.2
		United Nations Central Emergency Response Fund	3.0
Republic of Moldova	General food distribution	Germany	1.6
Rwanda	Malnutrition prevention activities	Germany	1.0
Somalia	Unconditional resource transfers to support access to food	European Commission	2.0
		Germany	9.0
		United States of America	65.7
	Safety net and school feeding programme	Germany	3.3
	Food systems and livelihoods	Germany	2.6
South Sudan	Unconditional resource transfers to support access to food	Germany	1.6
		United Kingdom of Great Britain and Northern Ireland	3.6
		United States of America	65.6
		Germany	0.9
		United States of America	4.5
	Malnutrition prevention activities	United Kingdom of Great Britain and Northern Ireland	0.2
		United States of America	19.8
	Asset creation and livelihood support activities	Germany	4.2
	Infrastructure development	Germany	8.0
		United Kingdom of Great Britain and Northern Ireland	1.2

Country office	Activity category	Forecasts	Total amount advanced (USD million)
		Other United Nations funds, programmes and entities (excluding United Nations Central Emergency Response Fund)	2.5
	Logistics cluster	United States of America	2.8
State of Palestine	Unconditional resource transfers to support access to food	Germany	4.3
		United States of America	3.8
Sudan	Unconditional resource transfers to support access to food	European Commission	17.6
		Germany	2.2
	Livelihood support programme	African Development Bank	1.7
	Supply chain services	African Development Bank	32.1
	Humanitarian air services	European Commission	1.0
		Germany	2.1
Syrian Arab Republic	School meals programme	Germany	2.9
	General food distribution	Austria	0.9
		Canada	7.5
		European Commission	9.8
		Germany	108.7
		United States of America	99.8
	Humanitarian air services	European Commission	1.3
		Germany	0.8
Türkiye	Assist refugees in camps	United States of America	2.1
Uganda	Crisis response for affected people	European Commission	0.5
		Germany	4.8
		United States of America	18.4
		European Commission	0.2
		Germany	2.2
		Germany	1.2
Ukraine	Crisis response for affected people	Australia	6.6
		United States of America	126.8
		Canada	17.6
		Finland	3.9

Country office	Activity category	Forecasts	Total amount advanced (USD million)
		Germany	42.4
		Private donors	21.7
		Sweden	18.1
		United States of America	143.1
	Logistics cluster	United States of America	0.9
		United Nations Central Emergency Response Fund	0.6
	Emergency telecommunications cluster	United States of America	0.9
		United Nations Central Emergency Response Fund	0.4
United Republic of Tanzania	Unconditional resource transfers to support access to food	United States of America	2.5
		European Commission	1.2
		Germany	0.5
		United States of America	6.0
Yemen	Life-saving assistance	Austria	1.6
		Germany	20.4
		United States of America	47.7
	Asset creation and livelihood support activities	Germany	27.1
	School meals programme	Germany	27.1
	Logistics cluster	Other United Nations funds, programmes and entities (excluding United Nations Central Emergency Response Fund)	0.9
Zimbabwe	Urgent food and nutrition needs	European Commission	1.5
		Germany	1.7
		United States of America	12.0
	Asset creation and livelihood support activities	United States of America	3.0
Venezuela (Bolivarian Republic of)	School meals programme	Germany	0.9
Total			2 380.5

ANNEX II**2022 contributions to replenish the Immediate Response Account**

Donor	Contribution amount (USD)
Directed contribution to the IRA reserve	101 120 032
Germany	34 979 424
Switzerland	21 629 606
United States of America	16 550 000
Private donors	11 650 246
Qatar	5 000 000
France	3 151 261
Belgium	2 585 315
Canada	2 299 319
Italy	1 813 059
Luxembourg	1 157 270
China	200 000
Liechtenstein	102 360
Australia*	2 172
Multilateral contribution to the IRA reserve	50 000 000
Sweden	23 293 970
Netherlands	22 749 426
New Zealand	2 140 845
Japan	1 351 095
Australia	184 058
United Kingdom of Great Britain and Northern Ireland	109 729
Canada	61 338
Denmark	54 345
Finland	32 705
Republic of Korea	20 721
Private donors	1 769
PSAEA	30 000 000
Other	100 042 578
Transfer from general funds	100 000 000
Miscellaneous income**	42 578
Total	281 162 610

* Transfer of donor fund balance to the IRA account.

** Unspent balances from contributions to the CSPs and other recipient WFP activities; interest accrued on donor funds administered by WFP through trust funds for bilateral contribution. Others as identified and approved with the appropriate donors, management authorities and Executive Board.

ANNEX III**2022 Immediate Response Account allocation**

Country	Activity category	IRA allocation (USD million)
IRA		382.55
Afghanistan	Malnutrition prevention activities	10.80
	Unconditional resource transfers to support access to food	36.15
Angola	Unconditional resource transfers to support access to food	1.41
Algeria	Unconditional resource transfers to support access to food	1.88
Armenia	Unconditional resource transfers to support access to food	0.34
Bangladesh	Crisis response for affected people	2.92
Bolivia (Plurinational State of)	Crisis response for affected people	0.20
Burkina Faso	Unconditional resource transfers to support access to food	9.39
Cabo Verde	Logistics cluster	1.50
Central African Republic	Malnutrition prevention activities	0.47
	Unconditional resource transfers to support access to food	0.47
Chad	Crisis response for affected people	0.30
	Unconditional resource transfers to support access to food	6.17
	Malnutrition prevention activities	3.22
Cuba	Unconditional resource transfers to support access to food	2.87
Democratic Republic of the Congo	Malnutrition prevention activities	0.53
	Malnutrition prevention activities	0.59
	Unconditional resource transfers to support access to food	31.53
Gambia	Crisis response for affected people	0.94
Haiti	Unconditional resource transfers to support access to food	14.01
	Humanitarian air services	0.70
Honduras	Crisis response for affected people	2.35
Kyrgyzstan	Crisis response for affected people	0.47
Libya	Crisis response for affected people	1.41
Madagascar	Crisis response for affected people	24.32
	Emergency service provision	0.38

Country	Activity category	IRA allocation (USD million)
Malawi	Unconditional resource transfers to support access to food	0.25
	Logistics cluster	0.22
Mali	Malnutrition prevention activities	1.13
	Unconditional resource transfers to support access to food	7.04
Mauritania	Unconditional resource transfers to support access to food	0.85
Mozambique	Unconditional resource transfers to support access to food	1.41
	Humanitarian air services	1.36
Myanmar	Unconditional resource transfers to support access to food	5.62
Nicaragua	Crisis response for affected people	1.41
Niger	Crisis response for affected people	8.92
Nigeria	Unconditional resource transfers to support access to food	23.54
Pakistan	Unconditional resource transfers to support access to food	14.08
	Malnutrition prevention activities	4.21
	Institutional capacity strengthening activities	0.49
Sao Tome and Principe	Unconditional resource transfers to support access to food	0.33
Sierra Leone	Unconditional resource transfers to support access to food	0.39
Somalia	Unconditional resource transfers to support access to food	98.80
South Sudan	Institutional capacity strengthening activities	1.41
Sri Lanka	Crisis response for affected people	7.86
Tajikistan	Food and livelihood assistance	0.47
Uganda	Crisis response for affected people	0.53
Yemen	Malnutrition prevention activities	46.95
Emergency preparedness		2.65
Madagascar	Crisis response for affected people	0.15
	Logistics cluster	0.04
	Emergency service provision	0.12
Sri Lanka	Crisis response for affected people	0.30
Uganda	Emergency service provision	1.75
Ukraine	Crisis response for affected people	0.30
Total		385.20

ANNEX IV

2022 country office purchases from GCMF and lead-time gain

Recipient country office	2022 country office purchase from GCMF (food value only)			2022 lead-time gain (%)
	USD			
	International	Local/regional	Total	
Afghanistan	344 719 137	162 676 827	507 395 964	76
Algeria	331 322	120 254	451 576	66
Angola	558 856	753 610	1 312 466	76
Bangladesh	18 298 505		18 298 505	60
Benin	10 870 197		10 870 197	75
Burkina Faso	14 614 550	47 182 656	61 797 206	46
Burundi	2 350 225	1 557 542	3 907 766	65
Cambodia	21 156		21 156	58
Cameroon	11 110 907	3 555 726	14 666 633	77
Central African Republic	8 194 354		8 194 354	65
Chad	21 122 580	8 632 195	29 754 774	77
Congo	2 087 233		2 087 233	77
Côte d'Ivoire	80 552	22 552	103 104	63
Cuba	322 800		322 800	100
Democratic Republic of the Congo	9 810 080	5 931 962	15 742 041	69
Djibouti	1 175 280		1 175 280	29
Eswatini	268 049	501 119	769 169	49
Ethiopia	279 432 419	56 372 806	335 805 225	74
Gambia	316 429		316 429	95
Guatemala	8 783 954	633 799	9 417 753	89
Guinea	783 582	79 882	863 465	73
Guinea-Bissau	501 768		501 768	57
Honduras	662 132		662 132	86
Kenya	17 428 424	41 574 203	59 002 627	64
Lesotho	526 606		526 606	0
Madagascar	25 577 811	5 831 781	31 409 593	70
Malawi		618 684	618 684	64
Mali	3 282 690		3 282 690	78
Mauritania	4 556 180	19 766	4 575 945	82
Mozambique	11 386 456	15 661 814	27 048 270	76
Myanmar	5 483 595	3 272 884	8 756 479	35
Nicaragua	1 236 844		1 236 844	21

Recipient country office	2022 country office purchase from GCMF (food value only)			2022 lead-time gain (%)
	<i>USD</i>			
	International	Local/regional	Total	
Niger	19 277 864	23 865 444	43 143 308	82
Nigeria	729 545	81 760 803	82 490 348	78
Pakistan	1 958 371		1 958 371	77
Rwanda	142 329	1 629 205	1 771 534	41
Senegal	1 136 723		1 136 723	70
Sierra Leone	867 786		867 786	72
Somalia	44 235 226	18 989 006	63 224 232	61
South Sudan	24 896 605	51 474 414	76 371 019	85
Sri Lanka	622 744	905 361	1 528 105	74
Sudan	2 065 180	19 362 622	21 427 802	80
Syrian Arab Republic	98 480 739	52 192 911	150 673 650	75
Tajikistan		39 324	39 324	93
Timor-Leste	587 025		587 025	71
Togo	99 789		99 789	89
Uganda	1 201 085	55 678 797	56 879 882	79
Ukraine	23 844 687	561 348	24 406 036	96
United Republic of Tanzania	2 460 583	12 088 987	14 549 570	67
Venezuela (Bolivarian Republic of)	707 029		707 029	0
Yemen	214 889 081	38 125 345	253 014 427	79
Zambia		12 403	12 403	100
Zimbabwe	200 262	10 130 571	10 330 833	56
Total	1 244 297 326	721 816 605	1 966 113 930	

Acronyms

COVID-19	coronavirus disease 2019
CSP	country strategic plan
GCMF	Global Commodity Management Facility
IPC	Integrated Food Security Phase Classification
IPL	internal project lending
IRA	Immediate Response Account
MAF	macro advance financing
PSAEA	programme support and administrative equalization account
SNF	specialized nutritious food