



Chief Financial Officer Division (CFO)

WFP Management Plan (2025-2027)

2nd Executive Board Informal Consultation

9th September 2024



World Food Programme

SAVING
LIVES
CHANGING
LIVES



World Food Programme

Structure of the presentation

- Overview
- Programme Support & Administrative Budget
- Use of Reserves and General Fund
- Next steps and Q&A

2025 Corporate Budget Priorities

Maintaining our strength in emergency response while placing sharper programmatic focus on resilience and climate adaptation.

Duty of care, excellence in people management, respectful and inclusive workplace.

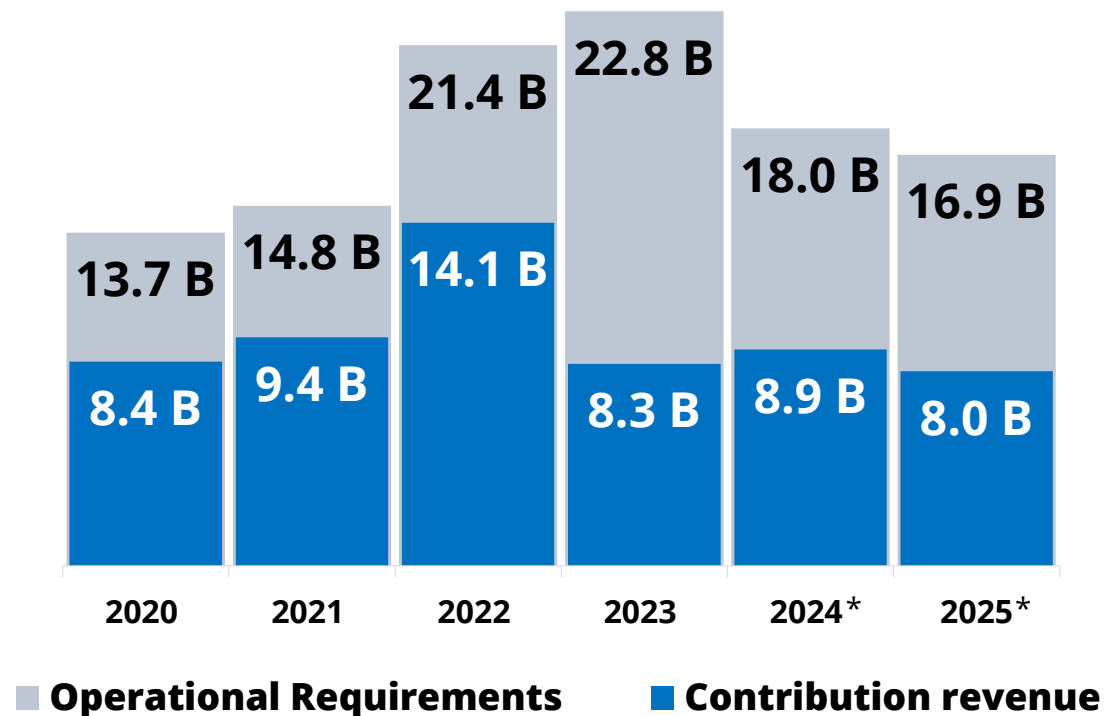
Diversifying and growing our resource base, including through partnerships with the private sector, multilateral organizations and host and donor governments, as well as innovative funding

Realizing the benefits of reform initiatives to achieve efficiency and effectiveness gains and target resources to the frontline.

Calibrating the budgets

Operational requirements and PSA are adapting to the resourcing outlook

Operational requirements



*Projections

Programme Support and Administrative Budget



Key 2025 figures – Programming and Funding



Operational Requirements

USD 16.9 B

6% decrease from MP 2024 Update

Targeted Beneficiaries



123 M

12% decrease from MP 2024 Update



Contribution Forecast

USD 8.0B



Provisional Implementation Plan

USD 8.8B

52% of operational requirements

Planned Beneficiaries



98 M

80% of operational requirements beneficiaries

2025 Operational requirements

Detail by country will be included in Annex 6. Below is an extract of the 10 largest operations.

Country	Programme of Work*		Operational requirements	
	(USD million)	(%)	(USD million)	(%)
Grand Total	16,106.3	100%	16,889.6	100%
Yemen	2,720.2	16.9%	1,480.2	8.8%
Afghanistan	1,419.9	8.8%	1,419.9	8.4%
Congo, Democratic Republic	1,058.8	6.6%	1,058.8	6.3%
Republic of South Sudan	897.8	5.6%	897.8	5.3%
Somalia	821.2	5.1%	822.5	4.9%
Ukraine	767.4	4.8%	767.4	4.5%
Lebanon	861.7	5.4%	764.7	4.5%
Ethiopia	371.6	2.3%	743.1	4.4%
Palestine, State of	99.8	0.6%	740.8	4.4%
Sudan	0.0	-	730.6	4.3%
[...]	[...]	[...]	[...]	[...]

Notes:

- **Yemen:** Budget revision under preparation to reduce 2025 requirements from USD 2.7B to USD 1.5B
- **Sudan:** Current CSP ends Dec 2024; budget revision under preparation for one year extension.
- **Palestine:** Budget revision expected in Q4 2024 to increase 2025 requirements from USD 100M to USD 741M

*The Programme of Work is based on the most recently approved CSP budgets as of August 2024, while the Operational Requirements also consider anticipated new CSPs and budget revisions.

Key 2025 figures – Corporate Budget



Baseline Budget

USD 695.2 M

5% decrease from MP 2024 Update



PSA Budget

USD 480 M

9% decrease from 2024 Approved PSA

1% decrease from 2024 PSA Utilization Plan



Projected ISC Income

USD 463 M

Based on USD 8.0 billion in contributions and 6.5% ISC rate



Trust Funds & Special Accounts

USD 167.8 M

Baseline

18% increase from MP 2024 Update



PSAEA approval

USD 17 M

To cover projected ISC shortfall



UGF approvals

USD 137 M

For CCIs, IRA, Staff obligations, Health insurance reserve, and Individual fundraising model

Trust Funds and Special Accounts - Baseline

Below is an extract of information included in Annex V.

TRUST FUND PROJECTED BASELINE EXPENDITURE IN 2025 VS 2024 REPLANNED, BY THEMATIC AREA				
Thematic area	Baseline 2025	Baseline 2024 Replanned	Difference USD	Difference %
	<i>(USD million)</i>	<i>(USD million)</i>	<i>(USD million)</i>	
Climate change and disaster risk reduction	6.0	3.8	2.1	36%
Supply chain	11.8	2.1	9.7	82%
Food security	7.7	5.6	2.1	27%
Nutrition	6.8	4.2	2.6	38%
School Feeding	8.4	6.4	2.0	24%

SPECIAL ACCOUNTS PROJECTED BASELINE EXPENDITURE FOR 2025 VS 2024 REPLANNED, BY CATEGORY				
Category	Baseline 2025	Baseline 2024 Replanned	Difference USD	Difference %
	<i>(USD million)</i>	<i>(USD million)</i>	<i>(USD million)</i>	
Business services	50.4	45.9	4.5	9%
Corporate Financing	37.3	26.7	10.5	28%

2025 PSA BUDGET



2025 PSA Budget by Appropriation Line and Pillar

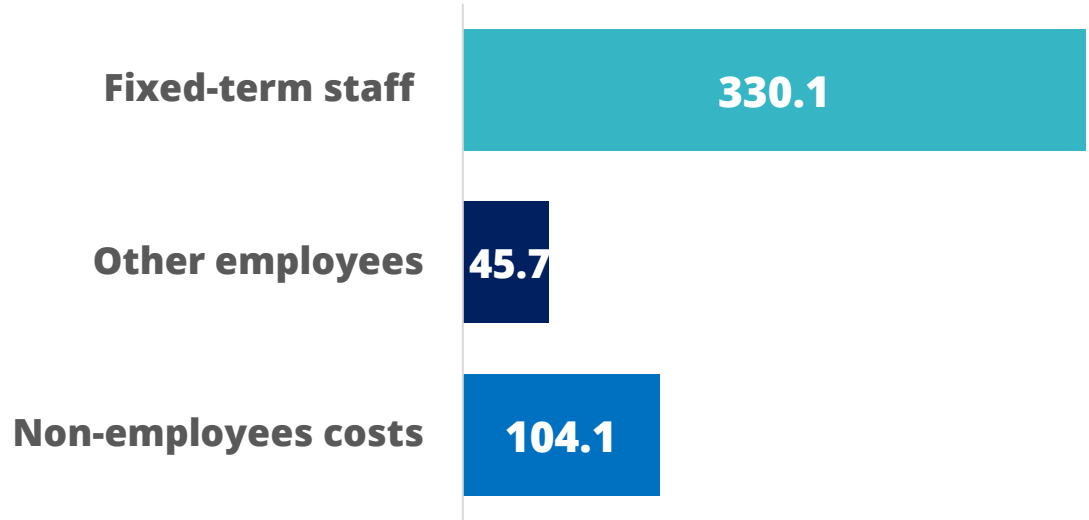


For EB's approval

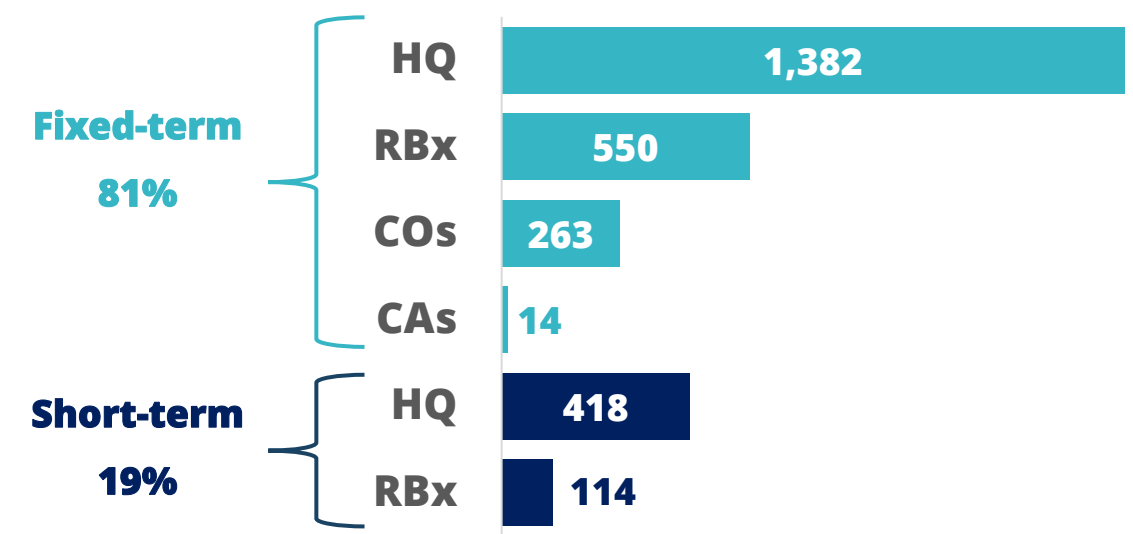
Item	USD million
Strategy and direction	✓ 109.5
A. Strategy and direction	109.5
Services to operations	✓ 239.2
B. Business services	166.7
C. Policy, guidance and quality assurance	72.5
Governance, independent oversight and fundraising	✓ 131.3
D. Advocacy, partnerships, fundraising and United Nations coordination	87.2
E. Governance and independent oversight	44.1
Grand Total	✓ 480.0

PSA by Object of Expenditure

Object of Expenditure
USD Million



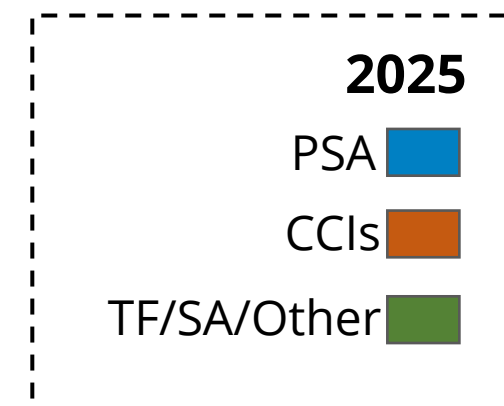
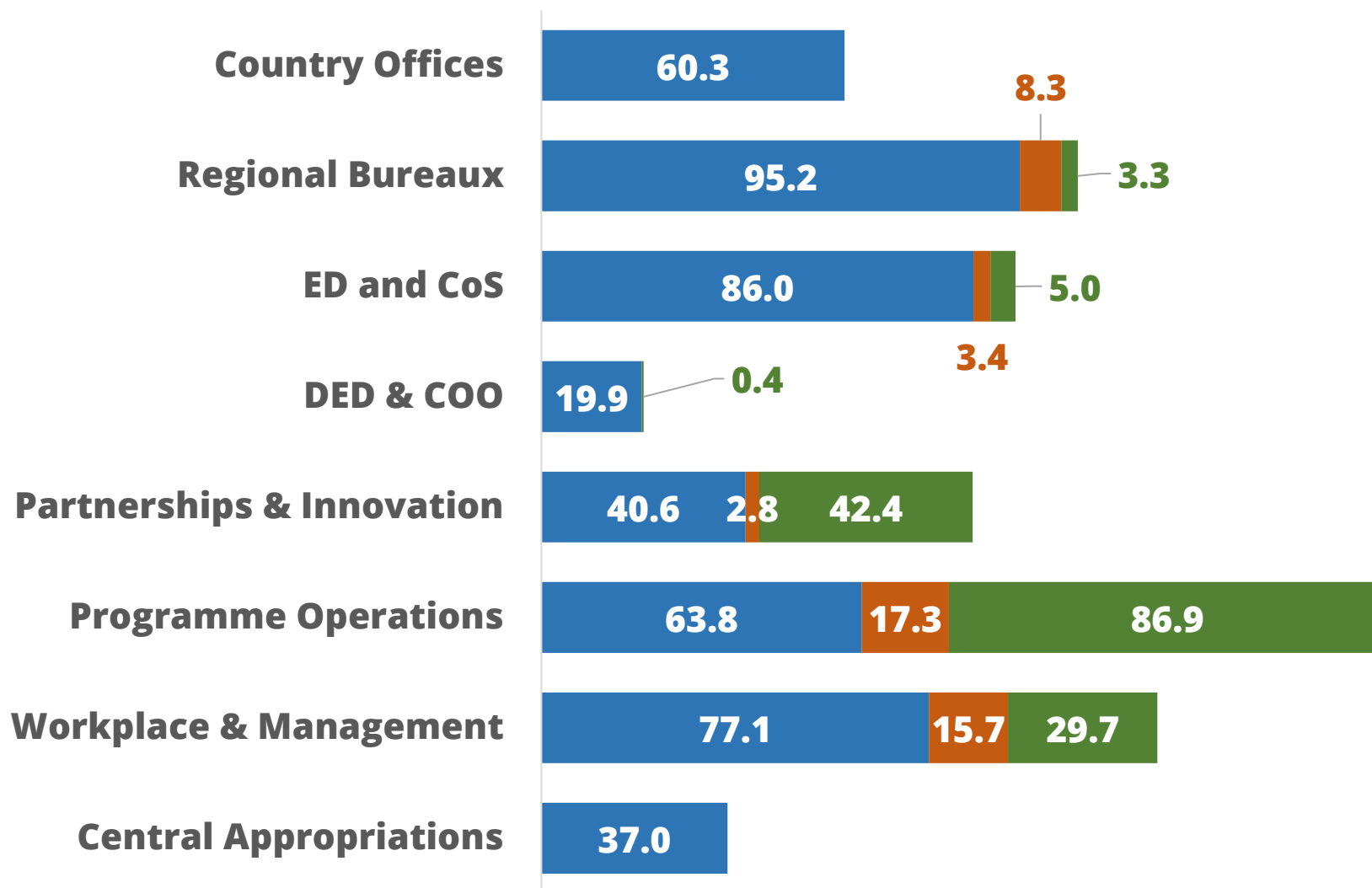
Full Time Equivalents (FTEs)



Compared to the 2024 Utilization Plan:

- Non-employee cost decreases in regional bureaus and divisions are offset by increase in central appropriations.
- FTEs decline by 127 (4%) while employee costs increase by USD 3.4m (1%) due to higher standard position costs.
- Proportion of Fixed-term staff increases by 3 percentage points.

PSA and Baseline Budget by Organizational Level



Draft Decisions related to PSA



For EB's approval



PSA budget

approves a 2025 programme support and administrative appropriation of USD 480 million

Use of PSAEA to cover ISC shortfall

approves the use of the PSAEA, to fund the shortfall between ISC revenue from contributions and the 2025 PSA budget; and *urges and authorizes* the Executive Director to implement cost saving measures as feasible to reduce the shortfall.

ED's authority to adjust PSA budget

authorizes the Executive Director to adjust the PSA component of the budget following a change in the global contribution forecast for the year, as follows:

- in the case of an increase in contribution income of at least USD 300 million, at a rate not to exceed 2 percent of the anticipated increase.
- in the case of a decrease in contribution income, up to 10 percent of the approved PSA level.

Indirect Support Cost Rates



For EB's approval



Maintain the **standard ISC rate of 6.5 percent**



Apply **4 percent** rate as per General Rule XIII.4 (e) for:

1

Host government
contributions to their own
programmes

2

Contributions from
**governments of developing
countries** or with economies
in transition

3

**International financial
institutions** under such
conditions as determined by
the Board

Allocations from Reserves and General Fund



PSAEA and General Fund Proposed Use

(USD millions)



	PSAEA	UGF	Total
Projected Budgetary Balance at 31 Dec 2024	289	414	703
Prudent balance	-200	-150	-350
Projected availability at 31 Dec 2024	89	264	353
Projected Interest Income in 2025		155	155
Projected availability in 2025	89	419	508

PSAEA and General Fund Proposed Use *continued*

(USD millions)



- **Use of PSAEA limited to shortfall of ISC income** (versus PSA budget) to ensure financial sustainability and alignment to operational fund balances
- **All other allocations to be made from UGF** while maintaining significant balance for future requirements

Proposed allocations in 2025	PSAEA	UGF	Total
Shortfall - ISC income below PSA	17		17
CCIs		30	30
IRA		50	50
Staff obligations [amount under review]		[30]	[30]
Health insurance reserve		7	7
Individual fundraising model		20	20
Total proposed usage for approval	17	137	151
Projected balances at Dec 31 2025	272	429*	701

*Total accounts for USD 2.4 million previously approved for Treasury Management

Critical Corporate Initiatives

Accountability & Compliance

- Monitoring, ID management and traceability
- IPSAS implementation (New)

Partnerships & Fundraising

- Positioning WFP to unlock diverse funding (New)

People

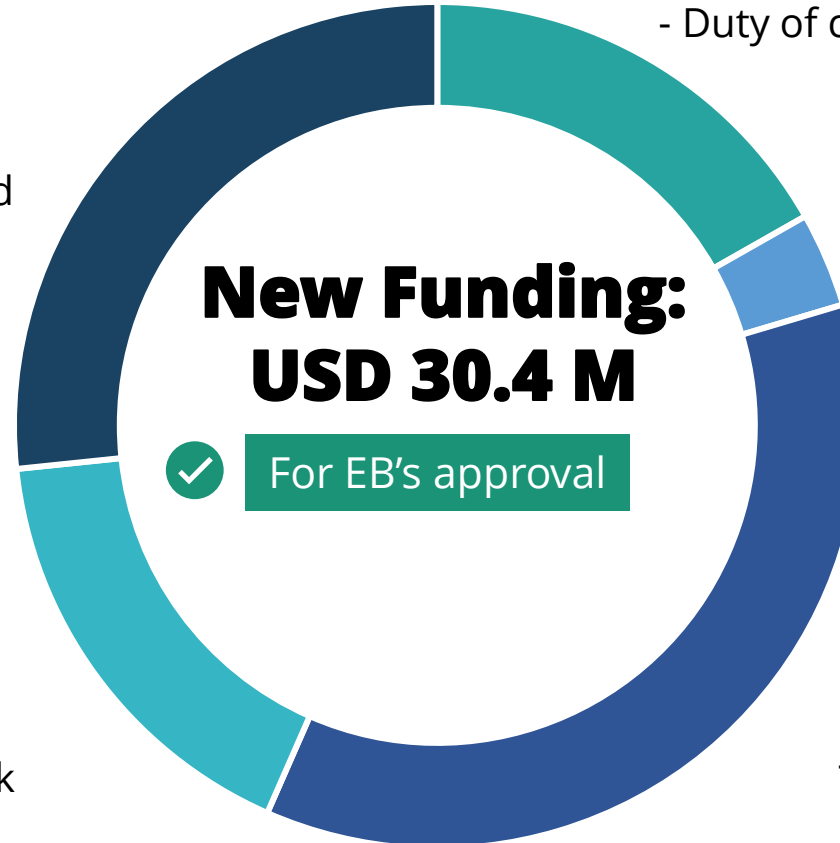
- Duty of care and inclusion (New)

Innovation & Efficiency

- UNSDG efficiency roadmap

Digital Technology

- WFP digital integration and modernization initiative (New)



IRA Transfer and Resourcing Target



For EB's approval



IRA Transfer

PSAEA **proposed use** of USD 50 million for the Immediate Response Account



IRA resourcing target

Annual **resourcing target** proposal to be kept at USD 400 million, same as 2023

Staff obligations

- ✓ Aligning staffing plans to resource availability, while recognizing the need to ensure continued capacity and support for critical operations
- ✓ Estimated cost is calculated on the cost of “unassigned” fixed-term staff for 12 months; *refinement of the estimated number of staff is on-going*
- ✓ Proposed allocation is the estimated cost above the availability of accruals and allowances within the standard position costs
- ✓ Any amount not fully utilized in 2025 would carry-forward to 2026

✓ For EB’s approval

Allocation of **USD [30] million** from the UGF, to fund a managed reduction of the workforce that aligns to operational needs and strategic workforce planning

Expansion of self-insurance schemes

Operational self-insurance

Proposed Decisions:

- Approves of WFP's plan to expand the scope of the operational self-insurance fund (the Captive) to include financial risks, property risks, and emerging and hard-to-insure risks.

Medical self-insurance

- Approves of WFP's plan to self-insure all health insurance schemes as of 1 January 2026, and
- Approves the allocation of **USD 7 million** to serve as **a capital for the new Health Self-Insurance Fund** for expanding the health self-insurance scheme.



For EB's approval

Individual Fundraising Model



Give emergency aid in Palestine

Shared meals will provide emergency food assistance to families in Palestine.

[Read more](#)

[Donate now](#)



✓ For EB's approval

Invest **USD 20 million** in 2025 from the UGF to accelerate Individual Fundraising

Expected Return

UP TO USD 100M

Cumulatively 2025-2030 from the 2025 investment

- ✓ Diversifying WFP's income streams sustainably through continued investment into Individual Fundraising
- ✓ Increasing the portion of unearmarked funding for WFP; 30% of Individual Fundraising contributions are fully flexible
- ✓ Investments in 2025 will drive future income and ensure growth & sustainability of WFP's Individual Fundraising due to the reliability & longevity of regular givers

Next Key Dates



Next Key Dates for the Management Plan Process

May 10



Informal briefing as part of CFO seminar

Jul 30



1st informal consultation

Aug 29



MP extracts posted on EB website

Sep 9



2nd informal consultation

Sep 30



Advisory Committee on Admin. & Budgetary Questions (ACABQ)

Oct 18



MP document posted on EB website

Nov 4-5



FAO Finance Committee

Nov 18-22



Second regular session – MP approval

Q&A

THANK YOU



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