



World Food Programme
Programme Alimentaire Mondial
Programa Mundial de Alimentos
برنامج الأغذية العالمي

Executive Board

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Financial and budgetary matters

For information

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

Report of the FAO Finance Committee

The Executive Director is pleased to submit herewith the report of the FAO Finance Committee pertaining to WFP. The report covers the following agenda items:

- WFP strategic plan (2026–2029) (WFP/EB.2/2025/3-B/1)
- WFP corporate results framework (2026–2029) (WFP/EB.2/2025/3-C/1)
- WFP management plan (2026–2028) (WFP/EB.2/2025/5-A/1)
- Report of the External Auditor on findings from field audits (WFP/EB.2/2025/5-B/1)
- WFP management response to the recommendations in the report of the External Auditor on findings from field audits (WFP/EB.2/2025/5-B/1/Add.1)



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COUNCIL

Hundred and Seventy-ninth Session

Rome, 1-5 December 2025

Report of the 205th Session of the Finance Committee (Rome, 27-28 October 2025)

Executive summary

At its 205th Session, the Committee considered the World Food Programme (WFP) strategic plan (2026-2029), the WFP corporate results framework (2026-2029), the WFP management plan (2026-2028) and the Report of the External Auditor on findings from field audits and WFP Management response, prior to their consideration by the second regular session of the WFP Executive Board in November 2025.

Suggested action by the Council

The Council is invited to note the views and recommendations of the Finance Committee in respect of matters considered by the second regular session of the WFP Executive Board in November 2025.

Queries on the substantive content of this document may be addressed to:

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Introduction

1. The Committee submitted to the Council the following report of its Two Hundred and Fifth Session.
2. In addition to the Chairperson, Mr Jujjavarapu Balaji (India), the following representatives of Members were present:
 - Mr Siddhartha Chakrabarti/Ms Sophie Wilkinson (Australia)
 - Mr ZHANG Lubiao (China)
 - Mr Bienvenu Ntsouanva (Congo)
 - Ms Ada Francisca Hernández Rivera (Dominican Republic)
 - Mr Lacina Koné (France)
 - Mr Naieff Al-Dousari (Kuwait)
 - Mr Lebeko Victor Sello (Lesotho)
 - Mr José Francisco Anza Solís (Mexico)
 - Mr Khalid Mehboob (Pakistan)
 - Ms April Rooney (United Kingdom of Great Britain and Northern Ireland)
 - Ms Elizabeth Petrovski (United States of America)
3. The Chairperson informed the Committee that:
 - Mr Siddhartha Chakrabarti and Ms Sophie Wilkinson (Australia) had been designated to replace Ms Emma Hatcher as the representatives of Australia for this session;
 - Mr Lacina Koné (France) had been designated to replace Mr Michel Lévêque as the representative of France for this session;
 - Mr José Francisco Anza Solís (Mexico) had been designated to replace Mr José Luis Delgado Crespo as the representative of Mexico for this session;
 - Ms April Rooney (United Kingdom of Great Britain and Northern Ireland) had been designated to replace Mr Christopher Mace as the representative of the United Kingdom of Great Britain and Northern Ireland for this session; and
 - Ms Elizabeth Petrovski (United States of America) had been designated to replace Mr Scott Turner as the representative of the United States of America for this session.
4. A summary of the qualifications of the substitute representatives can be downloaded from the Governing and Statutory Body website at <https://www.fao.org/governing-bodies/council-committees/finance-committee/en>.

5. In addition, silent observers from the following Members attended the 205th Session of the Committee:

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| • Brazil | • Israel | • Slovakia |
| • Colombia | • Luxembourg | • Sudan |
| • Côte d'Ivoire | • Monaco | • Sweden |
| • Denmark | • Morocco | • Switzerland |
| • European Union | • Netherlands (Kingdom of the) | • Thailand |
| • Germany | • Romania | • Venezuela (Bolivarian Republic of) |
| • Haiti | • Russian Federation | • Zambia |
| • Iceland | • Serbia | |
| • Ireland | | |

Election of Vice-Chairperson

6. The Committee deferred the election of a Vice-Chairperson to its 206th Session.

World Food Programme Matters

WFP strategic plan (2026-2029)

7. The Committee reviewed the WFP strategic plan (2026-2029).
8. The Committee commended WFP's collaborative development process.
9. The Committee noted that the strategic plan (2026-2029) offered a sound response to current challenges – high needs, dwindling resources and multiplication of shocks and conflicts. The Committee supported the three prioritized, integrated strategic outcomes, the focus on WFP's comparative advantages, and the commitment to enhanced collaboration with others.
10. The Committee acknowledged WFP's cost-saving efforts, stressed the urgency for further efficiencies, including through shared services across the UN system, particularly with the other Rome-based agencies, use of innovations and technology, cash, and ongoing system-wide initiatives, and reaffirmed the importance of accountability.
11. The Committee inquired about the country presence review to optimize WFP's footprint, and about exit/handover strategies to mitigate negative impact and empower governments.
12. The Committee observed that the list of de-emphasis areas, such as energy, should be adapted based on local conditions, especially the availability of partners to provide these services in place of WFP.
13. The Committee welcomed WFP's sustained commitment to South-South and Triangular Cooperation and encouraged stronger emphasis on its link with resilience building.
14. The Committee reiterated the importance of accountability and localization.
15. The Committee requested more information on funding perspectives for WFP's resilience work, as most of WFP's budget was allocated annually.
16. The Committee took note of, and requested clarifications related to terminology and alignment with internationally agreed language while expressing its appreciation for WFP's approach to supporting vulnerable populations, including women.

17. In response to comments and questions, the Committee was informed that:
- a) Several measures were already in place to boost WFP's and system-wide efficiencies: workforce reductions, efforts to enhance administrative and supply-chain processes, and the pioneering of an integrated Supply Chain platform with UNICEF and UNHCR. WFP also used cash as an efficient assistance modality whenever local conditions allowed.
 - b) The integration of assurance as a new cross-cutting priority underscored its significance.
 - c) The country presence review explored alternative, more efficient solutions, such as one Country Director overseeing several countries. Changes were discussed primarily at country level. Country strategic plans, WFP's main vehicle to implement the strategic plan and corporate results framework, included a section on prioritization and transition/handover approaches.
 - d) The paragraph on areas of de-emphasis stated that WFP may still pursue them, in partnership with others, when they were integrated into national strategies that WFP supported, or when they lowered the cost of WFP programmes.
 - e) This strategic plan promoted a close link between WFP's emergency and resilience work, aiming to bring a variety of resources together to support the areas of greatest need. WFP was engaging in enhanced dialogue with governments and international financial institutions for multi-year resilience support, and building new partnerships such as in the Changing Lives Transformation Fund.
 - f) Discussions facilitated by the Executive Board (EB) President were ongoing to secure consensus on terminologies to use in the final documents; these issues did not affect the content of WFP's work.
18. **With the observations and recommendations above, the Committee recommended that the Executive Board approve the draft decision as outlined in document *WFP strategic plan (2026-2029)*.**

WFP corporate results framework (2026-2029)

19. The Committee reviewed the *WFP corporate results framework (2026-2029)* and appreciated the effort made for the first time by WFP in submitting the corporate results framework (CRF) and strategic plan (2026-2029) documents together.
20. The Committee welcomed the CRF as a crucial instrument to demonstrate WFP's ability to deliver programmatic results with entrusted resources. Members acknowledged the simplification and streamlining of indicators, which aimed to better communicate achievements while easing the burden on country offices. The Committee noted the ambition of the CRF to strengthen WFP's role in ending hunger and welcomed its relevance in a context of growing global challenges.
21. The Committee discussed the latitude given to country offices in selecting indicators and inquired about the implications for aggregation and consistency. Clarifications were requested on how evaluations of country strategic plans (CSPs) approved prior to the CRF would be conducted, and how alignment with the new framework would be ensured.

22. The Committee underscored the intrinsic connection between hunger and poverty, emphasizing how this relationship shaped WFP's transformative role in changing lives. Members inquired about the measurement of resilience outcomes, particularly reductions in needs, and how WFP would assess governments' assimilation of capacity-building efforts.
23. The Committee inquired about the nature of output versus outcome indicators, particularly in Annex II, *Management results key performance indicators*, and encouraged further clarity on how success and efficiency were measured, including in areas such as innovation, audit and risk management. The Committee welcomed the inclusion of indicators on localization and data disaggregation, while encouraging stronger commitments to disability data collection and staff safety – including adding indicators on staff loss of life and food loss.
24. The Committee supported the direction of the CRF and looked forward to continued engagement on its implementation.
25. In response to comments and questions, the Committee was informed that:
 - a) CSPs approved after February would fully align with the 2026-2029 CRF, while earlier ones would be retrofitted through a structured process.
 - b) Two new measurements were included in the CRF under strategic outcome 2 to reflect on transitions of WFP-assisted people from emergency to resilience building.
 - c) While some indicators – such as those related to school-based programmes – fed into broader UN reporting frameworks, they may not be reflected at CSP level in country office logical frameworks. Country offices contributed to national, global and UNCT-level processes such as the UNSDCF,¹ and aligning corporate indicators with these broader efforts was key.
 - d) While data on staff loss of life may be more appropriately reported through the management plan or UN system-wide channels, WFP would explore how best to reflect these concerns internally.
 - e) The inclusion of a new indicator regarding the percentage of country office budgets channeled through partners represented a shift in reporting and aimed to provide greater insight into institutional budgeting.
 - f) WFP reported annually on its post-delivery food losses in detail to its Executive Board through a separate report.
26. **With the observations and recommendations above, the Committee recommended that the Executive Board approve the draft decision as outlined in document *WFP corporate results framework (2026-2029)*.**

WFP management plan (2026-2028)

27. The Committee reviewed and welcomed the *WFP management plan (2026-2028)* and thanked WFP for the presentation as well as the continued engagement that WFP has had with the Executive Board.

¹ UNCT: United Nations country team; UNSDCF: United Nations sustainable development cooperation framework.

28. The Committee acknowledged the funding constraints currently affecting WFP and the corresponding funding forecast of USD 6.4 billion, which aligned with projections for 2025. The Committee appreciated WFP's efforts in diversifying its funding base and emphasized its importance for WFP given funding constraints. The Committee also highlighted the need for flexible funding to facilitate appropriate and timely responses to emergencies. WFP Management welcomed the Committee's emphasis on flexibility and diversification, reaffirmed its commitment to continued efforts in these areas, and shared the status of contributions for 2025, expressing confidence with the forecast for 2026.
29. The Committee inquired about the current constraints in accessing vertical funds. WFP confirmed that access to vertical funds would be a step towards funding diversification, that WFP's indirect support cost (ISC) and direct support cost (DSC) rates were often higher than what was allowed by vertical funds, and that classifying vertical funds as non-traditional donors would enable shortfalls in DSC and ISC to be covered with mechanisms such as twinning funds.
30. The Committee noted that the WFP budget reflected 2026 projected operational requirements at USD 13 billion and the 2026 provisional implementation plan at USD 7.7 billion. Regarding the implementation plan at USD 1.3 billion higher than the contribution forecast, the Committee noted with caution that the implementation plan included use of net carryover contribution balances of USD 1.1 billion and projected revenue of USD 200 million from the service provision.
31. The Committee sought clarification on why regions with the most needs had a reduced percentage of the total operational requirements and implementation plan. The Committee was provided with the explanation that such distributions reflected the projected contribution forecast, which were largely directed by donors and that the large decline in contributions was proportionally affecting emergency operations more than activities focused on resilience and root causes.
32. The Committee inquired about the proposed annual USD 400 million resourcing target for the Immediate Response Account (IRA), which was the same amount approved in 2025, and asked whether it was appropriate given the lower overall resourcing and operational levels. The Committee was provided clarifications that the resourcing target was a non-binding target and that, particularly in this time of a large funding gap in emergency operations, maintaining the USD 400 million target reinforced the importance of the IRA as a critical instrument to immediately respond to life-saving emergencies.
33. The Committee noted with some concern the budget reductions to the independent oversight offices and the Risk Management Division, and the impact of these reductions on their ability to fulfil their oversight responsibilities. The Committee was informed that oversight was not only a responsibility of the independent offices but also a responsibility of the functional teams which were embedded in the global headquarters divisions, and that given the significant decrease in funding, budget cuts were made throughout global headquarters, with no division being spared. WFP Management expressed confidence that the independent oversight offices would retain their capacity to continue providing effective oversight despite the reductions. The Committee also recommended to avoid transferring labour costs from the programme support and administrative (PSA) budget and annual management plan to other financial vehicles through successive realignment decisions.
34. The Committee inquired about whether WFP had specific plans to phase out the Country Office Safety Net. The Committee was informed that WFP intended to retain this funding mechanism to support country offices facing funding constraints to cover unforeseen expenses such as evacuations or relocations that had been increasing in frequency and

magnitude, but WFP did expect that the use of the Country Office Safety Net would decrease as the funding level stabilizes.

35. The Committee reviewed the internal reorganization and sought more information on the new organizational chart as well as full visibility on staffing numbers and related reductions. The Committee was informed that detailed staffing information on grades and divisions funded by PSA was provided in Annex II of the management plan, but recognized that a comparison between 2025 and 2026 by division and department was difficult to make given the global headquarters restructuring in 2025. The Committee recommended that detailed data, including the cost-benefit analysis related to the reorganization, should be provided as regularly as possible to ensure full transparency of the decision-making process.
36. The Committee inquired about the proposed changes to the WFP Financial Regulations, particularly on what would happen to the management plan considering the proposed change to approve the WFP budget instead of approving the management plan. The Committee was informed that the management plan would remain in place in accordance with the Financial Regulations. The change would align the Regulations with the current practice in which the Executive Board had not been approving the management plan but had been approving specific decisions within the management plan.
37. The Committee requested WFP to provide information on its resource mobilization strategy when appropriate.
38. **With the observations and recommendations above, the Committee recommended that the Executive Board approve the draft decision as outlined in document *WFP management plan (2026–2028)*.**

Report of the External Auditor on findings from field audits and WFP Management response

39. The Committee reviewed the Report of the External Auditor on findings from field audits and the WFP Management response.
40. The Committee was informed that:
 - a) 100 out of 127 recommendations outstanding from previous audits of the regional bureaux and country offices were assessed by the External Auditor as implemented, with a 79 percent implementation rate, while one recommendation was closed as overtaken by events;
 - b) 26 recommendations remained outstanding; and
 - c) 105 new recommendations were issued pertaining to one regional bureau and six country offices audited in 2024.
41. The Committee requested and received clarifications on actions being taken by WFP Management to address the audit findings, including:
 - a) Measures to improve compliance with established rules and regulations and reduce recurring audit issues, including improved coordination and clearer accountability protocols between global headquarters and country offices; enhanced standardization of policies, guidance, tools and templates, such as internal control checklists; and increased technical support and capacity building through targeted trainings.

- b) Enhancement of monitoring and follow-up mechanisms to ensure timely implementation of audit recommendations, including the use of the risk and recommendation tracking tool to systematically track progress, assign accountability and support timely closure of actions.
 - c) Actions to strengthen oversight of cooperating partner management, a recurring area in audit observations, including the issuance of risk-informed spot check guidance to enhance compliance; the mandatory use of the UN Partner Portal to ensure transparent partner selection and due diligence; the revision of terms of reference for cooperating partner committees at country-office level; and the launch of the NGO Cooperating Partner Roadmap 2024-2026.
42. **With the observations and recommendations above, the Committee recommended that the Executive Board approve the draft decision as outlined in document *Report of the External Auditor on findings from field audits* and urged WFP Management to implement the outstanding audit recommendations in a timely manner.**

Other Matters

Working Methods of the Finance Committee

43. **The Committee:**
- a) **recalled the importance of ensuring that all documents be received by Members in all official languages of FAO and with uniformity of quality, at least two weeks prior to each session to allow due consideration and preparation by Members;**
 - b) **recalled its invitation to WFP Management to provide a verbal update at future sessions of the Finance Committee on the actions taken in response to guidance provided by the Finance Committee on WFP matters;**
 - c) **highlighted the challenges presented to Members of the Committee by the close scheduling of meetings, both formal and informal, of the Rome-based Agencies and requested the Secretariat to consider measures which might alleviate this; and**
 - d) **supported the practice of holding informal induction sessions for newly elected members of the Committee.**

Date and Place of the Two Hundred and Sixth Session

44. The Committee was informed that the next session was scheduled to be held in Rome from 3 to 7 November 2025.