



## Strategic Dialogue of the WFP Executive Board

### Topic 1: Achieving sustainable funding in a changing environment

#### Concept Note

This Strategic Dialogue will engage the Executive Board in a focused discussion on WFP's efforts to grow and diversify funding in an increasingly constrained and competitive global environment. The dialogue will be framed around how WFP can expand its resource base while managing associated operational, financial, and governance considerations, in partnership with the Executive Board. The discussion will zoom in on innovative financing and vertical funds as illustrative areas where WFP sees significant potential to mobilize new and additional resources, while also facing complexity, constraints, and risk that warrant engagement and guidance from the Executive Board.

Following a scene setter on the evolving global funding landscape, heightened competition for limited humanitarian resources and the rationale for diversifying, the session will highlight two examples:

1. **Innovative Financing**, including debt swaps, catalytic financing and structured solutions which complement traditional contributions by mobilizing domestic, private, or institutional capital, while highlighting areas for engagement including advocacy, capacity and catalytic resources.
2. **Vertical Funds**, which represent a critical complementary source of multi-year funding to meet the rising food security and nutrition needs, as well as programme countries' growing demand to strengthen resilience from shocks and stressors. Leveraging these resources requires WFP to navigate an evolving funding landscape, complex access modalities, adaptive funding models, and operational implications for its work, particularly in fragile contexts.

#### Format

A moderated panel of country directors and experts from the Chief Financial Officer division and Partnership & Innovations department with direct experience in these funding streams will support an interactive exchange with Board members, sharing perspectives on strategic opportunities and key constraints, and enabling conditions for unlocking diversified funding at scale.

#### Expected outcomes

1. A common understanding between the Board and Management of what diversification can realistically deliver, and over what time horizon, given WFP's mandate and funding architecture.
2. Recognition that diversification will entail, for example, through innovative financing and vertical funds, resources to address resilience programmes and discussion about finding the right balance of funding streams.
3. Agreement on next analytical or policy work needed to inform future Board decisions, including on potential funding model adaptations.