

برنامج
الأغذية
العالمي



Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

**Executive Board
Annual Session**

Rome, 7–11 June 2010



Distribution: GENERAL
WFP/EB.A/2010/17
11 November 2010
ORIGINAL: ENGLISH

SUMMARY OF THE WORK OF THE ANNUAL SESSION OF THE EXECUTIVE BOARD, 2010

In accordance with the methods of work of the Executive Board, the present document reflects the main points of its deliberations to be taken into account by the Secretariat in the implementation of the Board's decisions and recommendations. In accordance with a request by the Board at EB.A/2010, the decisions and recommendations from the session are contained as Annex I of this document.

This document is printed in a limited number of copies. Executive Board documents are available on WFP's Website (<http://www.wfp.org/eb>).

TABLE OF CONTENTS

	Page
Observations by the Executive Board President on WFP and Hunger	1
CURRENT AND FUTURE STRATEGIC ISSUES	
2010/EB.A/1 Opening Remarks by the Executive Director	1
Special Guests	2
ANNUAL REPORTS	
2010/EB.A/2 Annual Performance Report for 2009	4
RESOURCE, FINANCIAL AND BUDGETARY MATTERS	
2010/EB.A/3 Audited Annual Accounts, 2009	5
2010/EB.A/4 Final Report of the Evaluation Panel on the Selection and Appointment of the WFP External Auditor for the Term 1 July 2010–30 June 2016	7
2010/EB.A/5 Appointment of Members to the Audit Committee	7
2010/EB.A/6 Second Update on the WFP Management Plan (2010–2011)	8
2010/EB.A/7 Financial Framework Review Options	8
2010/EB.A/8 Annual Report of the WFP Audit Committee	9
2010/EB.A/9 Progress Report on the Implementation of the External Auditor Recommendations	10
2010/EB.A/10 Report of the Inspector General	10
2010/EB.A/11 Investigation on WFP Operations in Somalia	11
EVALUATION REPORTS	
2010/EB.A/12 Annual Evaluation Report 2009	12
ASIA REGIONAL PORTFOLIO	
2010/EB.A/13 Summary Evaluation Report Timor-Leste PRRO 103881	14
2010/EB.A/14 PRROs for Executive Board Approval — Democratic People’s Republic of Korea 200114	14
MIDDLE EAST, CENTRAL ASIA AND EASTERN EUROPE REGIONAL PORTFOLIO	
2010/EB.A/15 Summary Evaluation Report Egypt Country Programme 104500 (2007–2011)	15
2010/EB.A/16 Development Projects for Executive Board Approval — Tajikistan 200120	15
2010/EB.A/17 Development Projects for Executive Board Approval — Armenia 200128	15
WEST AFRICA REGIONAL PORTFOLIO	
2010/EB.A/18 Summary Evaluation Report Ghana Country Programme 104180 (2006–2010)	17
2010/EB.A/19 Development Projects for Executive Board Approval — Benin 200045	17
2010/EB.A/20 Budget Increases to Development Activities for Executive Board Approval — Central African Republic Development Project 103610	17

2010/EB.A/21	Budget Increases to Development Activities for Executive Board Approval — Sierra Leone Country Programme 105840	17
2010/EB.A/22	Protracted Relief and Recovery Operations for Executive Board Approval — Sierra Leone 200062	17
LATIN AMERICA AND CARIBBEAN REGIONAL PORTFOLIO		20
SOUTHERN, EASTERN AND CENTRAL AFRICA REGIONAL PORTFOLIO		
2010/EB.A/23	Summary Impact Evaluation Report of WFP School Feeding Programmes in Kenya (1999–2008)	21
2010/EB.A/29	Report on the Field Visit to Kenya of the WFP Executive Board	21
2010/EB.A/24	Draft Country Programmes — Burundi 200119 (2011–2014)	21
REPORTS OF THE EXECUTIVE DIRECTOR ON OPERATIONAL MATTERS		
2010/EB.A/25	Programme Category Review	24
ADMINISTRATIVE AND MANAGERIAL MATTERS		
2010/EB.A/26	Report on Post-Delivery Losses for the Period 1 January–31 December 2009	25
2010/EB.A/27	Review of the Management and Administration in the WFP: Report by the Joint Inspection Unit	25
SUMMARY OF THE WORK OF THE EXECUTIVE BOARD		
2010/EB.A/28	Summary of the Work of the First Regular Session of the Executive Board, 2010	26
OTHER BUSINESS		
2010/EB.A/30	Report on the Joint Visit to Rwanda of the Executive Boards of UNDP/UNFPA, UNICEF and WFP	27
	Acronyms used in the document	28
Annex I	Decisions and Recommendations	29
Annex II	Agenda	38

OBSERVATIONS BY THE EXECUTIVE BOARD PRESIDENT ON WFP AND HUNGER

1. The Executive Board President welcomed everyone to the Annual Session and availed himself of the opportunity to give an overview of the current global hunger situation, noting that in spite of work done to address Millennium Development Goal (MDG) 1 and WFP's Strategic Objective 1 the number of hungry people in the world had increased to 1.2 billion. He paid tribute to donors, who had given more than US\$4 billion in 2009, but noted that the actual volumes of food delivered by WFP had declined.
2. The President drew attention to the fact that the delivery cost of each metric ton of food was now almost equal to the purchase cost. Local purchase mechanisms could help address this issue. The President noted the effectiveness of work done by the Food and Agriculture Organization for the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and WFP and by development banks; the need for even greater efforts by the international community was evident as the number of hungry people and the cost of providing emergency food were increasing. WFP and its partners should collaborate to mobilize private-sector entities, advocate with national leaders, develop new fundraising mechanisms and launch publicity campaigns with a view to maximizing donations to organizations fighting hunger. Emphasis would have to shift to building the capacity and contributing to the development of countries. The situation was one of considerable urgency.

CURRENT AND FUTURE STRATEGIC ISSUES

Opening Remarks by the Executive Director (2010/EB.A/1)

3. The Executive Director opened her remarks by thanking the President for his bold presentation and by calling for similar ambition in times of growing needs. She noted that WFP's Strategic Plan (2008–2013) allowed it to enact pace-setting reforms to fulfil its mission of saving lives and to deliver smart humanitarian assistance.
4. While reminding the Board that the battle against hunger was winnable, the Executive Director outlined some of the most pressing humanitarian challenges and WFP's efforts to address them in places such as Afghanistan, Haiti, Niger, Pakistan, Somalia and the Sudan. She also provided examples of the success in deploying tools such as P4P, cash and vouchers, and described efforts to raise the profile of nutrition in the global agenda and to apply the latest knowledge through initiatives such as REACH and the Laser Beam Project.
5. The Executive Director summarized the internal reforms being undertaken with the Board's support to improve operational efficiency, strengthen management control and accountability and – in the case of the financial framework review – enact the Strategic Plan.
6. She went on to highlight the essential role of partnerships in addressing hunger and the impetus from new initiatives spearheaded by the G8 and G20, the African Union, and Comprehensive Africa Agriculture Development Programme (CAADP). She also praised leadership emerging around the world to fight hunger. The Executive Director concluded by thanking the membership for its generosity and action in prioritizing hunger needs.

Special Guests

7. The Board President and the Executive Director welcomed the European Union Commissioner for International Cooperation, Humanitarian Aid and Crisis Response, Ms Kristalina Georgieva, and the Administrator of the United States Agency for International Development (USAID), Mr Rajiv Shah, and invited them to address the Board.
8. Ms Georgieva recounted her experiences in Haiti following the January earthquake, commending WFP's swift response and sustained efforts in Haiti and the Sahel. Natural and human-induced disasters were on the increase, but funding was limited by the economic crisis and national demands; the humanitarian community had to make the best use of scarce resources. To this end, cooperation was essential. In Niger, Ms Georgieva was impressed by the coordination among international actors including WFP; this coordination was strengthened by the humanitarian cluster system, and the establishment of a global humanitarian food security cluster was eagerly awaited.
9. Ms Georgieva conveyed her special appreciation for the increased collaboration among the Rome-based United Nations agencies: at the L'Aquila Food Security Summit, the European Union pledged 2.7 billion euros to support their efforts to achieve food security. WFP's response capacity was admirable, and more resources would be pledged in future, particularly for the Sudan. Ms Georgieva emphasized that cash transfers could be more effective than food distribution, contributing to local markets as well as beneficiaries' dignity and women's empowerment. She concluded by stressing that despite the current economic crisis, 88 percent of Europeans supported humanitarian aid, but there was a need for more focused, leaner institutions, which would strengthen the political will for continued support.
10. Mr Shah thanked the previous speakers, noting that the United States Government shared the Executive Director's belief that the battle against hunger was winnable. He praised WFP's leadership, effectiveness and focus on responding to humanitarian crises along with its creativity in activities that accelerate the transition from relief to development and solve hunger in a sustainable way.
11. Mr Shah mentioned USAID's initiatives to increase market analysis, expand resources for local and regional procurement and map food security efforts. The principles behind the US\$3.5 billion Feed the Future initiative were country leadership and accountability, coordination, private-sector involvement, prioritizing women and demonstrating efficiency, which aligned with many WFP activities. Mr Shah concluded by echoing President Obama's recognition that chronic hunger threatened stability and undermined national security and by emphasizing that resources for Feed the Future were in addition to those for humanitarian assistance.
12. The Board expressed its thanks for the interventions of the President, the Executive Director, Ms Georgieva and Mr Shah. Their overviews of the situation in which WFP worked illustrated the need for greater efficiency, responsiveness to assessed needs and sustainable hunger solutions. To achieve these ends and make the shift from food aid to food assistance, traditional approaches such as the tonnage-based funding system would have to be modified and new mechanisms introduced. Board members stressed that one of the best ways to address emergencies was to support government ownership of lasting interventions such as safety nets; collaborative work in strong partnerships was a basic requirement, especially in terms of making the most of limited resources. South-South cooperation was seen as an effective modality in this respect, and much could be gained from evaluations and lessons learned in the operations of WFP and partner agencies.

13. Board members expressed the warmest appreciation for the work of WFP and partner staff in difficult and dangerous circumstances: their courage and dedication were fully recognized. With regard to the issue of staff safety and security, WFP's approaches to developing "how to stay" approaches rather than a "when to leave" mentality were seen as positive.
14. WFP's leadership in United Nations clusters was encouraged. Board members also stressed the importance of the work in WFP to improve management and financial procedures, which would enhance the impact of WFP's programmes on poverty and hunger, and applauded WFP's support for other agencies, for example by providing logistics services. The needs identified by several members included the development of innovative approaches to funding and programme delivery, transparency with regard to diversions of food, continued collaboration among the Rome-based agencies, and continued development of partnerships to optimize the delivery of assistance programmes. Board members also drew attention to the need to build resilience in countries prone to disasters, for example through P4P and similar initiatives, with a view to addressing malnutrition and to breaking the vicious cycle of poverty and hunger: the increasing focus on nutrition would contribute positively to these aims. WFP's aim should be to provide a "hand-up" rather than a "hand-out". Several Board members noted the need to re-focus on the MDGs, whose target dates were only five years away.
15. Concern was expressed by some Board members at the increasing scale of the programme of work and expected versus actual income, and noted that a system of prioritization was needed to enable WFP to allocate its resources effectively. New finance and resource strategies were needed to enable constant review of the balance of supply and demand; among other things, the approach to defining donors and recipients could be revised to optimize funding possibilities. Board members encouraged the Secretariat to continue to promote government and local ownership of programmes, bearing in mind the necessary links between emergency responses and longer-term recovery interventions.
16. Board members noted the need to ensure that programme designs were evidence-based and that assessments continued to be fully objective. Some members stressed the need to continue to address refugee issues through support for host countries, with an emphasis on local food procurement. Board members appreciated that WFP's work delivered a message of hope to people in need, and noted that multi-year untied cash contributions made early in a financial year were an effective way of enabling WFP to make good its commitments.
17. In response, the Executive Director thanked Board members for their observations, noting that country-led leadership and ownership of food and nutrition interventions were fundamental elements of the comprehensive approach to overcoming hunger in the world. She agreed that WFP would need to develop prioritization mechanisms in order to make optimum use of its resources, bearing in mind the danger that relatively small-scale emergencies could be overlooked. The work of other organizations on funding modalities, and prioritization would be studied; WFP was also seeking the optimum financial model to ensure that resources were managed to achieve maximum impact. Further work on risk management would be part of this process. The Executive Director undertook to address the various concerns raised by the Board, and thanked all the members, observers and high-level guests for their support and constructive comments.

ANNUAL REPORTS

Annual Performance Report for 2009 (2010/EB.A/2) (*for approval*)

18. Presenting the Annual Performance Report (APR) for 2009, the Secretariat drew attention to the new format and content of the document, which focused on performance results in terms of the five Strategic Objectives and of organizational achievements under the five Management Results Dimensions. The substance of the APR was based on information from WFP Information Network and Global System's (WINGS II), enterprise resource planning system and International Public Sector Accounting Standards (IPSAS), Standardized Project Reports (SPRs), the Data Collection Telecoms Application (DACOTA) system, the Strategic Results Framework (SRF) and extensive internal consultations. It related specifically to 143 of the 189 active WFP projects aligned with the current Strategic Plan (2008–2013): the remaining 46 were due to be discontinued in 2009. A subset of operations had been used to report on project-specific trends, experiences and lessons learned in using the new outcome indicators.
19. The Secretariat noted that WFP had faced a number of challenges in 2009 such as the increasing number of hungry people and the need to deliver assistance in increasingly hostile environments. WFP had nonetheless reached 102 million needy people in 75 countries, supported by US\$4.2 billion in contributions from 190 government and private donors; it had procured 2.6 million mt of food, 80 percent of which was sourced from 75 developing countries, had scaled up new food assistance initiatives such as P4P and cash and voucher programmes, and had developed a more effective policy on nutrition. The Secretariat stressed that the APR was a work in progress, and that the Board's observations would be valued for the design of future reports. WFP was working to improve reporting against outcome indicators and was addressing the need to enable country offices to collect the required information.
20. The Board welcomed the new format of the APR, and paid tribute to the hard work involved in producing it. They were impressed by the scale and flexibility of WFP's operations, and by the realistic and objective nature of the reporting, but invited the Secretariat to find ways of increasing reporting on qualitative indicators with a view to further enhanced transparency and ways of ensuring that the APR was fully evidence-based. Board members suggested that the Secretariat review its experience with the current indicators to improve them for future use and to generate robust, reader-friendly data.
21. Board members noted that only 65 percent of planned funding had been received in 2009, and observed that the rate of delivery of assistance had been partly maintained by increases in efficiency and the use of carry-over stocks: ways of improving on this situation would have to be sought, and the need for more accurate targeting was noted. Board members praised WFP's support for small-scale farmers and local markets through initiatives such as P4P, training in financial and management skills and the increasing number of cash and voucher programmes. Board members urged the Secretariat to upscale these modalities where possible and to address the constraints affecting them with a view to enhanced effectiveness. The ultimate aim was ownership of such food assistance modalities by national governments, a process in which WFP could be a catalyst. The need for a clear approach to guide transitions from emergency response to recovery and development was noted by several members.

22. The Board urged further collaboration among the Rome-based United Nations agencies with a view to enhanced quality and efficiency of interventions with consequent savings. The need for a full-time WFP representative on the Committee on World Food Security (CFS) was emphasized by several members. Some members were concerned at an apparent reduction in the number of operational partnerships in 2009, and stressed once again the importance of maximizing collaborative work to ensure that WFP delivered its mandate. The requirement to deliver the right food to the right people at the right time was recommended as a guiding maxim; the need for a dual approach to ensure that WFP could respond to emergencies and also implement recovery and development programmes was noted. In addition the Secretariat was urged to look into new funding systems to support WFP in its changing roles.
23. The Secretariat was invited to develop a systematic approach to enhancing operational and management efficiency: the Board asked for a strategy paper that would show how efficiencies could be achieved and define the metrics needed to measure improvements. This would help to reassure donors that their contributions were handled effectively and would help Member States to contribute to efficiency gains: the outcome would ultimately be that more beneficiaries could be reached with well targeted assistance. Operational efficiency would also be enhanced if the proportion of untied multi-year contributions could be increased: only 10 percent of funding was currently unearmarked, and Board members agreed on the need to find ways to increase this figure with a view to improving operational planning, including the handling of quality controls in implementing partners.
24. The Secretariat thanked Board members for their supportive and constructive observations, which would be taken into account as WFP developed its operational and management systems. The Secretariat would start work on an efficiency strategy, noting that the process would require time, and would work to develop improved food assistance modalities as requested. The perceived reduction in partnerships related to cases where operations had been taken over by governments; WFP continued to be involved in a wide range of partnerships with United Nations agencies and other actors. The need for training of WFP and non-governmental organization (NGO) staff in quality control was recognized, and WFP was already working on the issue. A full-time WFP representative to the CFS had already been appointed. The Secretariat accepted the recommendation that data in the APR be made as complete and accessible as possible, and agreed that vulnerability analysis and mapping (VAM) underpinned many of the reporting indicators even if it did not receive explicit recognition.

RESOURCE, FINANCIAL AND BUDGETARY MATTERS

Audited Annual Accounts, 2009 (2010/EB.A/3) (*for approval*)

25. The Deputy Executive Director responsible for the Resource Management and Accountability Department and Chief Financial Officer introduced the Audited Annual Accounts for 2009, WFP's second set of financial statements prepared in accordance with IPSAS; they had received an unqualified audit opinion from WFP's External Auditor, and both the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the FAO Finance Committee had recommended their approval. Mid-year implementation of WINGS II in 2009 had been a major challenge in the preparation of the 2009 financial statements, but preparing the nine-month financial statements and having them reviewed by both internal and external auditors, as well as using the "financial dashboard" tool, had helped the Secretariat in preparing for full financial closure at the end of 2009.

26. The seven components of the 2009 accounts and their objectives were described, with explanations provided on major accounts in the financial statements such as cash and cash equivalents, short-term and long-term investments, food commodity and non-food commodity inventories, contributions receivable, employee benefits, fund balances, revenue and expenses. With respect to investments, there was a very strong performance in 2009. Total revenue in 2009 decreased by 14 percent compared to 2008; contribution revenue reduced 17 percent while other revenue had increased by 272 percent. On the expense side, there was an overall increase of 14 percent to US\$4.2 billion in 2009, reflecting increased food distribution. Employee benefits increased to US\$278.7 million, with 51 percent of that amount funded.
27. WFP's External Auditor confirmed the 2009 financial statements were IPSAS-compliant and had been given an unqualified audit opinion. He indicated that there was an issue with automatic valuation of food stocks in WINGS II which would require further refinement of the system, but expressed satisfaction with the overall valuation and accuracy of the balance sheet. WFP was congratulated on its progress in ensuring governance and assurance processes, but there was a need to continue to develop and refine them, particularly in relation to the oversight of financial matters, performance and risk management, and internal audit. He also called on WFP to improve efforts to collect reimbursement from host governments of value added tax (VAT), of which US\$42 million was recoverable at the end of 2009. With regard to Somalia, reviews to date had yielded no evidence of a systematic breakdown in WFP's financial controls.
28. Board members looked forward to the development of a robust risk management and control framework, and called for a centralized system of risk assessment. They expressed concern on inventory valuations as well as VAT receivables and called for WFP to seek full exemption from VAT in all countries. Concerns were also raised on the roles of the FAO Finance Committee and WFP's Audit Committee in terms of internal control and audit. Members indicated that there may be duplication of advice being provided to the Board and suggested that the issue be deliberated further by the two bodies. Local purchase was commended as a way to reduce costs and support local production and markets. Expressing concern over the declining euro exchange rate, members requested clarification of the hedging strategies in light of the current economic context.
29. In response to Board questions and concerns, the Secretariat indicated that the Statement of Internal Control would be ready for the 2011 financial statements. Significant progress had been made in implementing internal audit recommendations and strengthening WFP's internal control environment; the Committee of Sponsoring Organizations of the Treadway Commission (COSO) process would be continued under the more WFP-specific Strengthening Managerial Controls and Accountability (SMCA) project. It was clarified that the purpose of WFP's hedging of the euro was to stabilize Programme Support and Administrative (PSA) staff-related costs. The Secretariat further indicated that an investment advisory panel of external investment professionals would be established that would advise the Investment Committee, the primary purpose of which was to programme returns while avoiding risks. In those countries where VAT was an issue, the Secretariat would conduct a review together with the United Nations country teams and revert to the Board.

Final Report of the Evaluation Panel on the Selection and Appointment of the WFP External Auditor for the Term 1 July 2010–30 June 2016 (2010/EB.A/4) (for approval)

30. In outlining the procedures that had culminated in the recommendation regarding appointment of the new External Auditor, the Chairman of the Evaluation Panel stressed that it had adhered strictly to all of the Board's decisions and recommendations. He expressed on behalf of the panel his appreciation for the support of the Audit Committee and the Technical Group drawn from the Secretariat. The Chairman also observed that the exercise had provided valuable experience that he and his colleagues would be happy to place at the Board's disposal in future.
31. The recommendation of the Evaluation Panel was to appoint as WFP External Auditor the Comptroller and Auditor General of India.
32. The Representative of India took the floor briefly to thank the Board for its confidence in the Comptroller and Auditor General of India.
33. The President took the opportunity to express the Board's recognition of the work of the outgoing External Auditor.

Appointment of Members to the Audit Committee (2010/EB.A/5) (for approval)

34. The President observed that the appointment of members of the Audit Committee (AC) had been discussed at length in the Bureau; a wide search had been conducted to contact suitable candidates. Two individuals – Ms Irina Petruškevičienė of Lithuania and Mr James Rose of the United States of America – were nominated by the Executive Director for Board approval as AC members for a term of three years, in line with the AC's new terms of reference. The Bureau was also proposing to extend the two-year terms of incumbents Mr Beg and Mr Milone by one year, ending in July 2011, and to appoint the new members from July 2011.
35. After deliberation, the Board agreed on approval of these decisions, noting that they struck a balance between the needs for rotation of AC membership, geographical representation and continuity of the committee. Several members, however, expressed reservations as to the way in which the Bureau had handled the matter, drawing attention in particular to the fact that the Bureau had no authority to make changes to the terms of service of AC members without seeking the approval of the Board itself, and that the Board's decision to change the terms of reference of the AC should not be applied retrospectively to members appointed for two years under the previous terms of reference. Board members also felt that changing the starting dates of the period of service of the new members could not be regarded as sound management practice. Some Board members felt that WFP's rules and procedures should be adhered to more strictly in such cases in the future and that due time be allowed for full deliberation to avoid similar difficulties.
36. The President noted that the Bureau was in fact offering proposals for the Board to endorse rather than making decisions itself. The Bureau had heard the case for extending the terms of service of the outgoing AC members, indicating the need for continuity, and had felt it right in the light of their experience and expertise to propose the extension to the Board.
37. The Board agreed to amend the draft decision to reflect the exceptional nature of the particular situation.

Second Update on the WFP Management Plan (2010–2011) (2010/EB.A/6) *(for approval)*

38. The Second Update on the WFP Management Plan (2010–2011) was presented to the Board for approval following review by the FAO Finance Committee and ACABQ. The revised programme of work for 2010–2011 totaled US\$10.7 billion, including US\$6.4 billion for 2010 – US\$1.2 billion more than reported in the first update; funding projections remained unchanged at US\$7.5 billion for the biennium. Increases resulted from the earthquake response in Haiti, drought in the Sahel, deteriorating security conditions in Pakistan and increasing food insecurity in Ethiopia. The Secretariat had presented a plan to provide for the funding of staff liabilities over a 15-year period. Lessons learned regarding hedging against currency fluctuations concluded that the arrangements helped WFP to maintain stability in the planning process.
39. The Board thanked the Secretariat for the update. Members highlighted that only 58 percent of WFP's operational needs would be met in 2010. The Secretariat was encouraged to prioritize operations in order to meet the needs of the most vulnerable beneficiaries, but a call was made to avoid excessive earmarking, which could reduce its flexibility. The Board sought management feedback on how WFP would undertake the current programme of work with limited funds. Board members recommended an analysis of unforeseen requirements to provide a more complete picture of WFP's resourcing status, and that WFP develop prediction capacity for more realistic estimates of future emergencies. It was proposed that funding for staff liabilities be mainstreamed into the PSA and direct support costs (DSC) budgets as of 2011 and that the 2010 portion of US\$7.5 million not be funded from the PSA Equalization Account, as originally proposed. In the light of the discussion, the Board agreed to amend its decision accordingly.
40. Efficiencies gained were commended, and the Board encouraged the Secretariat to undertake similar exercises, especially in countries with large programmes. With continuing disasters worldwide, WFP would need to prioritize its responses.
41. The Secretariat highlighted that while unforeseen requirements would be difficult to assess, an analysis would be included in future management plans along with the actual amount of WFP's funding to date.
42. The Executive Director thanked the Board for its engagement on operational and procedural issues, affirming that increasing efficiency would be a high priority, along with a focus on excellence in operations. Other humanitarian actors would be called upon to support this endeavor; partnerships with private-sector partners were already creating efficiencies in the transport sector. The Executive Director encouraged further discussion of prioritization.

Financial Framework Review Options (2010/EB.A/7) (for approval)

43. The Deputy Executive Director responsible for the Resource Management and Accountability Department and Chief Financial Officer presented the document, which contained options and six recommendations presented by the Secretariat for maximizing flexibility and aligning the financial framework with the WFP Strategic Plan (2008–2013). It outlined review of the tonnage-based model, funding of DSC and PSA budget stability. Discussions leading to the document had been held with all country and regional directors in WFP. The Board had been consulted through three informal discussions in 2010; the FAO Finance Committee and the ACABQ had provided comments on the document.
44. The Secretariat provided more details on the rationale for the six recommendations contained in the document and the advantages the changes would offer. The tonnage-based

model meant that many management processes and the funds available for costs were based on categories defined in relation to food and its delivery. The first recommendation for adjusting the financial framework was to identify separately activities not linked directly to food commodities. The second recommendation was to modify how DSC were calculated, from a rate-per-ton to a percentage of total dollar value. The third recommendation was to encourage and accept contributions to DSC. The fourth recommendation was to move to a rolling three-year Management Plan in order to improve the stability of the PSA budget. The fifth recommendation was to encourage and accept direct contributions to the PSA budget. The sixth recommendation was to maintain the current indirect support costs (ISC) model for funding the PSA budget. It was hoped that the recommendations – or at least a way forward – could be agreed at the meeting.

45. The Board expressed its appreciation for the document and the informal consultations leading up to the Board session. They encouraged WFP to use its newer, more flexible instruments for food assistance; strengthen results and impact analysis; and increase efficiencies. Board members sought clarification on the recommendations included in the document and their implications, especially the “encouragement” of contributions specifically for DSC (Recommendation 3) and of direct contributions to the PSA budget (Recommendation 5). They wondered what were the implications of some of the recommended changes for the full cost recovery principle and requested additional clarification on adopting a rolling management plan.
46. Some Board members requested that the document be presented for consideration rather than approval. However, some members expressed reservations about the delays implied in postponing approval of all the recommendations until the next Board session, and suggested that the Board approve those recommendations on which a consensus had been reached; others did not support the approval of only some recommendations, or felt that consensus had not yet been reached on more than just the two recommendations. It was agreed that more clarification would be needed prior to the Board’s approval.
47. Next steps in the financial framework review process included: i) ensuring consensus on the recommendations; ii) reviewing their implications on WFP’s systems and processes; iii) presenting the proposed amendments to rules and regulations to Board members at its 2010 Second Regular Session; and iv) continuing discussions on advance financing and the forward purchase facility.

Annual Report of the WFP Audit Committee (2010/EB.A/8) *(for consideration)*

48. The Chairperson of the WFP AC paid tribute to the outgoing External Auditor, the National Audit Office of the United Kingdom (NAO), whose work had provided ample assurance to the Board. The AC had been involved in the selection of the new External Auditor, and believed that the Board had made a sound appointment in the Comptroller and Auditor General of India.
49. With regard to financial management and reporting, the AC was satisfied that the introduction of IPSAS and WINGS II provided dividends in terms of increased transparency in governance and improved accountability. The AC endorsed the NAO recommendation for an internal evaluation of WINGS II and was encouraged by management’s readiness to implement it; one concern was the way food stocks were assigned value through the system. The AC was also pleased with the establishment of the Resource Management and Accountability Department.

50. The AC had given particular attention to enterprise risk management (ERM), internal control and fraud prevention, noting that audit risk management should become an integral part of WFP's corporate culture and embedded at all levels of WFP; it would flag ERM issues to the Board and the Bureau. The AC had noted the high staff turnover in the Office of Internal Audit (OSA), recommended that management give full attention to OSA's recommendations and welcomed moves to give the Chief Financial Officer an oversight role. The committee endorsed the NAO recommendation that the Inspector General and Oversight Office (OS) prepare an annual statement of internal control for signature by the Executive Director and submission to the Board.
51. The AC was working to clarify the expectations and mechanisms of its relatively new relationship with the Board and Bureau. The AC met regularly with the Bureau and could be called upon to provide advice on audit issues. The Chairperson concluded his intervention with warm thanks to WFP managers for their positive interactions with the AC.
52. The Board welcomed the report and expressed support for the recommendations to establish ERM as part of the corporate culture and to implement internal risk management procedures at all levels. Board members noted that proper implementation of risk management procedures could have minimized the reputational damage suffered by WFP in relation to alleged food diversions in Somalia, and noted that such reputational damage could affect donors in particular. The Board supported the recommendation to establish a WFP anti-fraud policy supported by a sanctions system and a distinction between the responsibilities of the Ethics Office and OS. Board members also recommended that the AC organize field visits to observe WFP operations at first hand.
53. The Board welcomed more regular meetings with the AC, and suggested that the AC could be represented at meetings of the FAO Finance Committee and ACABQ. The Board endorsed the recommendation that WFP re-examine its code of ethics to ensure that it served its needs. Board members welcomed scrutiny by the AC of management and other issues, and offered to share experiences with a view to enhancing its role, for example in providing guidance on the handling of allegations of misconduct.
54. The Chairperson of the AC thanked Board members for their observations. He accepted that the AC had not produced a self-assessment as planned, but one would be implemented under the committee's new terms of reference. With regard to AC interactions with the FAO Finance Committee, the terms of reference emphasized that the AC function was an entirely separate one; the Board might offer some guidance on this point. The AC had considered the Somalia issue only at its most recent meeting, and agreed that reputational risk to WFP could have been reduced through effective risk management.

Progress Report on the Implementation of the External Auditor Recommendations (2010/EB.A/9) (for consideration)

55. The decision contained in the progress report was adopted by the Board with no discussion.

Report of the Inspector General (2010/EB.A/10) (for consideration)

56. The Inspector General and Director of OS provided an overview of audit, investigation and inspection activities carried out by OS in 2009. There had been a significant reduction in the number of high-risk audit observations, and improvement in the implementation of audit recommendations; in particular, financial management processes had been enhanced through the implementation of IPSAS and WINGS II. Weaknesses included the absence of

a performance management information system, inadequate capacity of implementing partners and need for improved commodity management processes. Given that a number of complaints regarding food diversion referred to minor incidents, the Inspector General recommended that WFP develop an internal tolerance norm recognizing some food sale by beneficiaries. Staffing constraints had limited OS work in 2009, and had not allowed the Inspector General to convey “positive assurance” that all high risk areas had been reviewed. The Inspector General recommended that the Board revisit its decision to forward the report to the United Nations Office of Internal Oversight Services (OIOS).

57. The Board sought a clearer understanding of the reasons for high staff turnover in OS and assurance that allegations of misconduct were being effectively captured and responsible persons penalized; the Inspector General was asked to elaborate on the kinds of disciplinary action taken. In the light of findings in the Inspector General’s report, WFP was encouraged to develop a robust performance management information system; to ensure that OS was fully staffed with specialized audit personnel, in part by excluding OS staff from WFP’s staff reassignment exercise; and to support a strong whistle blower policy. The Board noted that the Report of the Inspector General should be submitted to it as the ultimate governing body for the purpose and that therefore it was no longer necessary to forward the report to OIOS. The Board also expressed its support to establishing a direct reporting line between the Inspector General and the Board, as recommended by the Joint Inspection Unit (JIU).
58. The Inspector General confirmed that no externally recruited staff member of OS would be reassigned within a reasonable minimum period and in any case, only if staffing was complete; high staff turnover was due in part to more lucrative career opportunities outside WFP. All staff were required to possess relevant qualifications, or to obtain such qualification within the first year of joining OS from other WFP divisions. Staff training and the use of informal means to resolve disputes had helped reduce complaints of sexual harassment and abuse of power. Disciplinary actions for WFP staff ranged from letters of reprimand to dismissal, with a zero-tolerance policy for fraudulent activities.
59. The Secretariat acknowledged weaknesses in WFP’s performance and risk management systems, noting that the SRF would be employed to this end; more details were presented in the APR. Although WFP could not always choose its implementing partners, capacity development activities had been the focus of efforts to monitor partners’ performance.

Investigation on WFP Operations in Somalia (2010/EB.A/11) *(for information)*

60. The Deputy Executive Director responsible for the Operations Department and Chief Operating Officer presented the three papers generated by the investigation: i) conclusions of Bureau meetings held on 12 and 17 March following release of the Monitoring Group on Somalia (MGS) report, the recommendations from which had been approved through correspondence; ii) Addendum 1, the outgoing External Auditor’s response to the Bureau’s request that it review WFP procedures for contracting, delivering and distributing food in Somalia, containing advice and draft terms of reference for the incoming External Auditor, which would undertake the review should the Board decide to proceed with it; and iii) Addendum 2, which concerned management actions in Somalia in response to the reports and recommendations received.
61. The Secretariat had established a plan of action and a Somalia Steering Group, chaired by the Executive Director. She had appointed a former United Nations Assistant Secretary-General and former WFP senior manager as her special envoy for Somalia. A panel of experts had been convened on 18 May to advise on supply-chain management in risky

circumstances. The Executive Director had also asked the Inspector General to review the MGS allegations. Copies of her responses to the Chairman of the Sanctions Committee and of the MGS report had been provided to the Bureau on 4 June. The Deputy Executive Director reiterated the Secretariat's commitment to ensuring integrity of WFP operations and re-engaging in Somalia as quickly as possible, as well as its policy of zero tolerance for diversions of resources by staff.

62. Board members expressed their concern about the repercussions of the allegations on WFP's reputation. Many noted that WFP had not received evidence presumably supporting the MGS allegations, and emphasized the value of WFP's work in the trouble-torn country: 3.2 million people needed assistance owing to poor rainfall, disease, conflict and displacement. Some members suggested that a procedure should be developed for ensuring that the Board remained informed of developments in similar cases. The Secretariat was requested to provide a time-line for dealing with the issues raised by MGS and the Inspector General, and the steps taken to prepare the new External Auditor for carrying out its review of food distribution procedures in Somalia. Members approved of the Executive Director's decision to appoint a former WFP staff member to report on how to improve.
63. The Executive Director confirmed that the Secretariat had informed the Board of all developments as soon as they occurred. Somalia was a high-risk country where some of WFP's normal control procedures could not be implemented; the Secretariat was therefore investigating ways of carrying out long-distance monitoring. The plan of action involving the External Auditor had been suggested by the Bureau and the Board had voted to approve it. The Secretariat had received no evidence for the allegations, which made it difficult to address them; staff or partners were not necessarily responsible for the food diversions, as beneficiaries often sold part of their WFP food rations to generate cash for other essentials.

EVALUATION REPORTS

Annual Evaluation Report 2009 (2010/EB.A/12) (*for consideration*)

64. The Director of the Office of Evaluation (OE) presented the report for the Board's consideration. She reminded the Board that the report summarized the findings of 3 strategic, 2 country portfolio and 14 operation evaluations. These had found that WFP programmes were generally well aligned with the strategies and policies of governments and other partners, and that they were well targeted, especially where assessments and monitoring were carried out regularly. However, the strategic positioning of programmes was more challenging, given the diversity of activities and lack of integration at the country level; the development of country strategies was likely to improve this. WFP was able to upscale its activities rapidly when needed, but was less effective in downscaling or repositioning in response to changing contexts. WFP general food distributions and school feeding performed well, but nutrition outcomes were harder to attribute to WFP programmes. Food-for-work/assets activities were challenged, mainly by funding shortages, but also by a lack of livelihood recovery strategies in country offices; beneficiary counting and monitoring also required attention. Overall, WFP was a good partner, but community-level synergy with other United Nations agencies could be improved.
65. The Secretariat presented the management response to the evaluation report's four recommendations, pointing out that the funding model was being addressed through: the financial framework review; increased synergy through the development of country

strategies; adaptability through the review of programme category definitions; and improved monitoring through the APR.

66. The Board welcomed the report as a useful overview of the many evaluations carried out over the previous year – three times as many as the year before – in line with WFP’s culture of accountability and learning from experience. Members emphasized the need to align WFP’s work with government policies and priorities, especially in emergency situations, but some members suggested that more separation from governments was sometimes required to ensure humanitarian impartiality in recovery and development activities. Many members encouraged the Secretariat to focus on building countries’ capacities as part of its efforts to improve responsiveness to changing needs and enhance the sustainability of WFP programmes. The ability to adapt depended on having good information systems that kept abreast of changing circumstances. The Secretariat should accelerate its development of country strategies, to help streamline complex operations and improve the synergy among them. There was also need for clearly defined objectives and targets to tighten the focus of what WFP programmes sought to achieve.
67. Board members expressed concern about the shortage of data for outcome reporting, and urged the Secretariat to improve monitoring systems for this, including through more Board involvement in defining indicators, and consultations with external monitoring and evaluation experts. Strengthened impact monitoring would help ensure that WFP activities were achieving their objectives of combating hunger and supporting the most vulnerable.
68. Members recognized the challenges of the current funding model and the restricted budgets for carrying out evaluations, particularly at country offices; investments in national data collection capacity would reduce the pressure on WFP budgets. More generally, WFP could also seek more funding from emerging donors and beneficiary governments, to reduce the shortfall between the work programme and the funds available.
69. The Board reiterated that it had been useful to have informal consultations on evaluation reports before their presentation to Board sessions. It was suggested that OE carry out an evaluation of the Cape Verde school feeding programme during the second half of 2012 to assess its sustainability after government hand-over; an evaluation of the criteria for counting beneficiaries; and more joint evaluations with other United Nations agencies, particularly the Office of the United Nations High Commissioner for Refugees (UNHCR).
70. The Director of OE took note of the Board’s comments, and explained that OE was exploring ways of increasing resources for evaluations, especially decentralized ones. The Secretariat was making greater use of evaluations as a learning tool, including through staff seminars on major evaluations.
71. The Secretariat reported that the performance planning and monitoring module was being piloted starting in Nepal, and would be fully rolled out in 2012. This was part of WINGS II, and brought together all country and regional monitoring systems into one. It was expected to help improve beneficiary counting by allowing reporting on different aspects, such as number of rations distributed. A Memorandum of Understanding for joint evaluations with UNHCR was being finalized, and WFP already carried out joint assessments with FAO and others. The Secretariat’s progress in responding to evaluation recommendations was reported in an information paper presented to the Board, and the new management framework included a learning and adapting phase.

ASIA REGIONAL PORTFOLIO

Summary Evaluation Report Timor-Leste PRRO 103881 (2010/EB.A/13) (for consideration)

PRROs for Executive Board Approval – Democratic People’s Republic of Korea 200114 (2010/EB.A/14) (for approval)

72. The Regional Director began his overview by noting WFP’s part in the recent Food Security Investment Forum in Bangladesh, where WFP was operating its largest cash assistance scheme: this was helping thousands of people to find employment, supporting the protection of agricultural land from flood damage and enabling women farmers to purchase productive assets without recourse to loans. Micronutrient powders were being distributed to enhance nutrition among young children, but 60 million people remained undernourished. WFP was working on nutrition security approaches and safety nets. In Afghanistan, where operations were continuing in spite of security and logistics constraints, WFP was working to manage risks in the supply chain and to find monitoring and oversight modalities that were effective in off-limit areas, including through the use of local companies whose staff were trained to WFP programme assistance standards. Armed escorts were necessary to protect staff in many operational areas. Rehabilitation and safety net operations were the priority in Pakistan, where armed conflict and consequent displacement were widespread in northern areas; there, local NGOs carried out the function of programme assistance teams. The Regional Director urged donors to support the operations as major contributions to social stability in an area where suicide bombings and kidnap were common. WFP had enhanced its security apparatus and risk management processes, but these were costly ventures.
73. Board members thanked the Regional Director for his overview, noting the need to support operations that addressed “silent” emergencies such as child hunger and helped to prevent future problems. With regard to the Timor-Leste operation Board members stressed that more resources were urgently needed to maintain operations, which were supporting the recovery from conflict, and cautioned that an approach that was too generalized could result in a lack of focus on needy groups; the proposed revision of WFP programme categories would help to resolve this challenge. Programme costs were high because international professional staff were needed to carry out tasks that were still beyond local capacities: Board members recommended South–South cooperation to address capacity development and other needs.
74. The Board noted that the operation in the Democratic People’s Republic of Korea (DPRK) depended on assurances that the Government would ensure the safety and security of foreign and local humanitarian staff and enable WFP to have unimpeded access to all stages of the supply chain; rigorous monitoring was needed, for which government support was also required. The Board expressed approval that the DPRK operation targeted pregnant and lactating women and young children, and urged donors to provide the required funding. Some members asked for clarification as to the effects of the recent currency reform and political tensions in the peninsula.
75. The Secretariat thanked Board members for their observations, noting that in Timor-Leste WFP was already focusing on nutrition and capacity development and working with the Government to continue the school feeding programmes. With reference to DPRK, the operation had to address needs with limited resources and some elements would be in danger of closure in late 2010 if more support were not forthcoming. The

Secretariat assured the Board that monitoring was effective there, and supported by the Government. The currency reforms had briefly affected food security, but the situation had largely recovered. The food deficit was a concern: the Government was prioritizing agricultural improvements in the coming years, however, and supporting local production of fortified foods. WFP was working with WHO, the United Nations Children's Fund (UNICEF) and the United Nations Development Programme (UNDP) on a strategic assistance framework for 2011–2015.

76. The Permanent Representative of DPRK thanked WFP for its work in the country, noting in particular the harmonious collaboration between WFP and the Government.

MIDDLE EAST, CENTRAL ASIA AND EASTERN EUROPE REGIONAL PORTFOLIO

Summary Evaluation Report Egypt Country Programme 104500 (2007–2011) (2010/EB.A/15) (*for consideration*)

Development Projects for Executive Board Approval – Tajikistan 200120 (2010/EB.A/16) (*for approval*)

Development Projects for Executive Board Approval – Armenia 200128 (2010/EB.A/17) (*for approval*)

77. The Regional Director summarized WFP's work in the region with the ongoing challenges, including climate change and the aftershocks of the financial crisis. National governments were particularly supportive, including as emerging donors contributing to WFP programmes and safety nets in their own and other countries; WFP was playing an increasingly technical role. He warned that Iraq, Kyrgyzstan, the Occupied Palestinian Territory and Yemen, among others remained serious concerns. Yemen was affected by security issues, food insecurity that affected a third of the population and the influx of 1.5 million refugees from the Horn of Africa; a protracted relief and recovery operation (PRRO) would soon be presented to Board members for approval by correspondence. Throughout the region 410,000 refugees and 349,000 internally displaced persons (IDPs) were among the people depending on WFP for their food and nutrition needs.
78. Elsewhere in the Middle East, innovative voucher programmes had helped 156,000 beneficiaries in six countries. Following successful piloting in the Syrian Arab Republic, electronic vouchers had been introduced elsewhere, including the West Bank, where the voucher programme was to expand to 61,500 beneficiaries by the end of 2010. Assessments in the Occupied Palestinian Territory had found that vouchers helped improve the diets of 90 percent of beneficiaries, and that beneficiaries consumed 98 percent of rations, compared with 78 percent of rations in food distributions. Voucher programmes supported local economies and increased beneficiaries' self-respect and food choices. Another major success was the government-led food fortification programme in Egypt, providing over 40 million people with fortified flour. The Regional Director closed his presentation with a plea for donor support to WFP activities in the region to address the current shortfalls and pipeline breaks.
79. The Director of OE then summarized the evaluation findings for the Egypt country programme (CP), which had an interesting composition of components and a hand-over strategy. Programme activities were found to be consistent with country needs, but of

mixed efficiency, particularly regarding capacity development. Food for education (FFE) and food for assets (FFA) had faced funding limitations. Quality control of programmes was good. The FFE activities had reduced gender disparities in schools, FFA activities contributed to government development programmes, and food insecurity and micronutrient deficiencies had been reduced. The prospects for sustainability after government take-over were good.

80. The Board commended the Secretariat for its work in the region. Members shared the concerns about Yemen, and suggested that the WFP projects may not be large enough to address the needs. Instability in Iraq meant that WFP should continue its support there and in Jordan and the Syrian Arab Republic, where there were many refugees from Iraq. Given the vast numbers of refugees and people in transit throughout the Middle East and beyond, the Secretariat should strengthen collaboration with the International Organization for Migration and similar agencies.
81. Many members suggested that the Egypt CP could serve as a model for others in the region. They commended the contributions and commitment of the Egyptian Government and private sector, and suggested that the Secretariat explore the opportunities for expanding private-sector involvement in other countries. Members felt that more capacity development from WFP would mitigate many of the weaknesses noted in the evaluation, and encouraged the Secretariat to develop a qualitative indicator for measuring the effectiveness of capacity development. Some members questioned the sustainability of the FFA activities and suggested that WFP should increase its partnerships with experts in assets generation. Many members emphasized the need to continue activities in Egypt beyond 2011.
82. In response to points raised by Board members, the Director of OE clarified that it was the Egyptian Government's decision to include large percentages of the population in social safety nets and subsidy programmes. The Egypt country director explained that the FFA activities were supporting a government programme that provided land and water in a remote area where landless and jobless people could settle with their families. WFP was contributing only 10 percent of this programme, which included the construction of homes, roads, schools, health centres and other infrastructure; families had already moved into the area and were involved in contract farming. He emphasized that WFP had a technical role in Egypt, providing information and expertise that the Government used in implementing its own programmes, including those for food fortification.
83. The Regional Director introduced the development projects for Tajikistan and Armenia, emphasizing the strong government support that both had and their alignment to government policies and priorities. The gross domestic product of both countries relied heavily on migrant remittances, which had declined dramatically since the global economic crisis. WFP school feeding would provide support while the national economies recovered sufficiently to allow hand-over to governments. The projects included a large capacity development component to facilitate this. In both countries, the Government and parent-teacher associations (PTAs) at schools with feeding programmes would be contributing funds and in-kind resources.
84. The Board welcomed the two projects, recognizing the governments' commitment to school feeding and the need for WFP support at this stage. The projects were building on past successes for WFP programmes and government collaboration in Armenia and Tajikistan. Members also mentioned the strong financial support provided by a Government in the region and supported the proposed shift to home-grown food in the third year of the Armenia project. Members urged the Secretariat to clarify the projects' hand-over strategies and to avoid risks such as corruption and fraud. They pointed out that

the effectiveness of school feeding depends on government commitment to ensuring quality education. It was suggested that FFA activities could be used to improve school infrastructure.

85. Responding to Board members' comments and concerns, the Tajikistan country director noted that WFP's partners in the country included agencies with education expertise, as well as regional governments and PTAs.

WEST AFRICA REGIONAL PORTFOLIO

Summary Evaluation Report Ghana Country Programme 104180 (2006–2010) (2010/EB.A/18) *(for consideration)*

Development Projects for Executive Board Approval — Benin 200045 (2010/EB.A/19) *(for approval)*

Budget Increases to Development Activities for Executive Board Approval — Central African Republic Development Project 103610 (2010/EB.A/20) *(for approval)*

Budget Increases to Development Activities for Executive Board Approval — Sierra Leone Country Programme 105840 (2010/EB.A/21) *(for approval)*

Protracted Relief and Recovery Operations for Executive Board Approval — Sierra Leone 200062 (2010/EB.A/22) *(for approval)*

86. The Regional Director explained that the eastern Sahel areas of West Africa were in the middle of a major food crisis on top of the protracted challenges of high malnutrition rates, conflicts and political instability. Niger and Chad were the countries most affected, followed by Cameroon and Mali. Food stocks were available in the region and WFP was working to increase its local and regional purchases, but funding limitations were restricting this activity. The Regional Director emphasized that the window of opportunity for regional food purchases was already closing, and that immediate support was needed to maintain WFP's life-saving and recovery operations and invest in future stability. He thanked donors for their generous contributions, but pointed out that lack of funding was preventing full implementation of operations, not only in the eastern Sahel but right across the region.
87. The Regional Director pointed out that Niger was just one of many examples in West Africa where big emergencies could occur if food security is not assured. The Board was reminded that WFP also mounted a large emergency operation in Niger in 2005. WFP was ready to contribute its share to long-term interventions, in close harmony with the governments and other stakeholders, to increase agricultural production, improve health and sanitation conditions and educate the young, especially girls — not only in Niger but throughout the region.
88. He turned the attention of the membership to a few of the challenges faced by other countries in the region where WFP was alleviating the impact of hunger, food insecurity and malnutrition.

89. The West Africa region had a number of country offices that were small, either in relation to the size of the population or to the size of WFP operations. These countries, among the poorest in the world, were facing enormous food security and nutrition challenges which were far beyond the capacities of their governments to handle. WFP was having enormous difficulty in resourcing its operations in these countries – which included Benin, Gambia, Guinea Bissau and Togo – where the suffering faced by individual people was great, even when the numbers of needy people were not comparatively high. The international community could face large emergencies at great cost if efforts were not made to improve food security in these countries.
90. A number of countries in the region were in transition to peace and stability after years of war or political instability. In these countries – which included Côte d'Ivoire; Guinea and Sierra Leone – the risks of destabilization and population movements were well known. WFP did not have the resources to maintain its presence in these countries, let alone implement operations or prepare for potential emergency needs; lack of funding could force WFP to close its offices there. The Regional Director expressed his strong conviction that timely peacebuilding activities would be good investments to reduce the potential need for future peacekeeping operations.
91. Continued financial support was urgently needed, not only for emergency operations but also for post-conflict/disaster interventions; food security was a fundamental cornerstone for peace and civil stability. Well-designed, well implemented, long-term development activities that prepared populations to better deal with disasters and ensured their food security were thought to be effective ways to prevent future human misery and would be more economical than large-scale emergency operations.
92. Introducing the evaluation report on the Ghana CP, the Director of OE stressed that it was relevant to the assessed needs but ambitious in terms of the proposed hand-over strategy, which depended on the Government's capacity to internalize processes. Most planned outputs had been achieved in spite of an emergency response during the CP. However, not all outcomes had been attained. FFE had performed relatively well, but local purchasing had been limited in relation to needs. Levels of undernutrition had not changed significantly, in spite of having worked on the subject for ten years. The evaluation had noted that not all partners had delivered their commitments. The operation also suffered from a demanding geographical coverage for available resources.
93. The Board thanked the Secretariat for its presentations, noting the seriousness of the situation in the Sahel and urging WFP and donors to find ways of supporting operations in the region; regional solidarity could be a major factor in preventing a crisis. It was suggested that future APRs contain a table showing the funding levels of operations, which would highlight the shortfalls in the West Africa region. The Regional Director was invited to produce a paper on funding needs to enable donors to support WFP's regional purchases while they were still possible.
94. With reference to the evaluation report on the Ghana CP, Board members warned that low operational efficiency led to reduced donor funding: it would be vital to ensure that WFP operations were fully compatible with government strategies and avoided overlaps; targeting should focus on the most vulnerable groups and acceptable local foods should be provided wherever possible. Board members urged WFP to expand activities such as P4P, especially in the north of the country, where a single rainy season limited crop production to one harvest per year, and to continue to work in partnerships with ministries and other United Nations agencies. The need to ensure that the Government and local authorities were empowered to continue to address hunger and malnutrition after hand-over was

emphasized. Some members asked for clarification as to the way poverty mapping data was used in targeting.

95. Regarding the Benin development project (DEV), Board members noted that it was in line with government strategies on universal primary education and capacity development, and that it implemented WFP policies on the participation of women. WFP was urged to involve parents in school feeding programmes with a view to achieving sustainability, but some members asked for clarification as to how parental contributions could be collected and monitored. Donor support for increased maize production could be used to support WFP local purchase modalities. Board members emphasized the need to continue coordination with government programmes and to ensure that government and local capacities were adequate for eventual national ownership of WFP's interventions. Board members also noted the need for funding to sustain current operations.
96. With regard to the budget increase for the Central African Republic DEV, Board members stressed the need to ensure that ownership of nutrition and school feeding programmes by the Government was facilitated through capacity development; lessons learned should be shared with other countries in the region. Some members recommended that WFP work to improve food distribution and access to education, noting that high food prices were still a constraint. The need for further funding to continue operations was noted: WFP and donors were urged to do all they could to find the resources needed.
97. Turning to the Sierra Leone operations, the Board expressed concern at the size of the requested budget increase to DEV 105840, particularly in that some recommendations of the 2009 mid-term review were still to be addressed. Board members urged WFP to establish more partnerships with other actors to address issues such as health, and recommended that greater attention be given to modalities to increase access to food and to refining the hand-over strategy. The Board cautioned against duplication of efforts while ensuring complementarity with government strategies; the Secretariat was asked to clarify its actions to address gender ratios in schools. Board members approved the assistance modalities of the PRRO and its alignment with government and United Nations Development Assistance Framework (UNDAF) priorities in an unstable post-conflict situation, observing that there was scope for further partnerships to promote, for example, agricultural production linked to school feeding and food for work (FFW) and HIV programming. Targeting could be refined to ensure that the most vulnerable communities had priority. Sexual and gender-based violence was recognized as a pervasive problem, and programmes such as school feeding and P4P that had the effect of promoting stability were therefore to be developed and handed over as part of the recovery and development approach.
98. In response, the Regional Director undertook to provide a paper on funding needs by the end of the day. He explained that targeting in the Ghana operation was based on VAM conducted in 2004, updated on the basis of a national food security assessment in 2009. The value of partnerships was recognized in all operations: collaborations with UNICEF, WHO, FAO and IFAD, among others, were ongoing in Sierra Leone and elsewhere; the search for operational funding had included Comprehensive Africa Agriculture Development Programme (CADEP), the REACH initiative and other international sources. The Regional Director noted that the prevalence of sexual and gender-based violence was partly a result of conflict situations in which children had been victims and later became adult perpetrators. In the Benin operation, parental contributions to school feeding would be collected and monitored through PTAs, whose members would be given the relevant training; P4P would be implemented in the near future. Capacity development in CAR

included community-level training for PTAs and government-level skills-development activities.

99. The Regional Director thanked donors who had provided contributions, but reiterated the urgent needs for funding to enable operations in the region to continue.

LATIN AMERICA AND CARIBBEAN REGIONAL PORTFOLIO

100. In presenting his overview to the Board, the Regional Director observed that despite the economic developments in the region, the negative effects of emergencies on food insecurity and vulnerability were evident in many areas; chronic malnutrition was serious in several countries, especially where poverty and social exclusion were factors. Frequent natural disasters such as tropical storms tended to affect the same areas: the challenge was to ensure that preparation measures were in place and to develop social protection programmes. Across the region, WFP was working in harmony with governments, UN partners and NGOs; it was operating in the enhanced regional clusters for logistics and telecommunications and actively leading the food security cluster. A hub for emergency food and equipment had been established in Panama, with smaller stations in El Salvador and Guatemala, and emergency rosters had been set up to enable rapid deployment of VAM and telecommunications experts in emergencies.
101. The food and nutrition toolbox for Haiti included cash and voucher schemes, FFW, school feeding, supplementary feeding, voluntary relocation of IDPs, local purchase initiatives and infrastructure improvements. The most pressing needs were to ensure that seed was sown for the next harvest – WFP was supporting the FAO planting programme with logistics services – and to ensure that emergency preparations were ready to meet the coming hurricane season; food had been pre-positioned in 31 areas. Needs arising in El Salvador, Guatemala and Honduras from tropical storm Agata had been rapidly met in collaboration with United Nations partners and governments. Capacity development and social protection safety nets were being augmented in countries with nutrition gaps as part of South–South cooperation initiatives with Chile, Colombia and Mexico. WFP was also working with Brazil on its Zero Hunger programme; the Executive Director had visited the country and met President Lula to discuss progress. In regional terms, the main challenges to be addressed were preparedness and the development of social protection capacity in governments.

SOUTHERN, EASTERN AND CENTRAL AFRICA REGIONAL PORTFOLIO

Summary Evaluation Report of the Impact Evaluation of WFP School Feeding Programmes in Kenya (1999–2008) (2010/EB.A/23) (for consideration)

Report on the Field Visit to Kenya of the WFP Executive Board (2010/EB.A/29) (for information)

Draft Country Programmes – Burundi 200119 (2011–2014) (2010/EB.A/24) (for consideration)

102. The Regional Director outlined the situation in the region, where almost 1.5 million mt of WFP food had been distributed in 2009. Beneficiary numbers had declined slightly, following satisfactory harvests at the end of the year, but people still required support with building resilience against drought. Threats and security issues had forced WFP to suspend operations in southern Somalia, but it was still reaching about 1 million beneficiaries in other parts of the country, whenever access was possible. High malnutrition rates continued in the Democratic Republic of the Congo (DRC) owing to deep poverty, instability in the east and outbreak of conflict in the west; WFP was assisting 3 million people in the country. In Zimbabwe the situation had improved, but 800,000 people still needed assistance.
103. The regional bureau was improving controls to mitigate the impact of risks consolidating risk registers kept by country offices. WFP was working with the Government of Ethiopia to improve food management accountability and reporting and beneficiary targeting. Response analyses were being carried out in several countries including Rwanda, where an agreement to improve targeting criteria had been reached. Forward purchasing of 330,000 mt had resulted in food reaching beneficiaries in Kenya and Uganda within ten days, instead of the usual two months. Cash and voucher pilots were targeting more than 500,000 beneficiaries, and WFP was supporting governments' investment planning. Local purchases had totalled 608,000 mt, worth US\$23 million, and 35,000 small farmers were involved in P4P initiatives. Millennium Village projects were expanding, notably in Malawi.
104. The Director of OE presented results of the Kenya school feeding impact evaluation, the office's first impact evaluation. Its mixed qualitative and quantitative approach would be applied to future school feeding impact assessments in other countries. Results and lessons had been shared with a wide range of WFP staff and discussed at a workshop for the team leaders of the next round of school feeding impact evaluations.
105. The evaluation had found that school feeding improved enrolment rates, gender parity and students' continuation into secondary school. The meals reduced hunger and contributed most – on some occasions all – of the children's daily food intake. As a resource transfer, school feeding represented between 4 and 9 percent of households' income. In identifying the causes of these impacts, so as to repeat successes and address weaknesses, the evaluation found that the specific foods distributed and the presence of the Essential Package were fundamental factors in success. Performance was also affected by the availability of fuel-efficient cooking facilities; the quality of education within the school; parents' recognition of the value of education for their children's future; and community support. School feeding encouraged school attendance most among younger

children, when the value of the food was higher than that of having the child at home or work. Girls dropped out more than boys in later years, especially in areas where girls married young.

106. A representative of Colombia gave a presentation on the Board visit to Kenya from 20 February to 6 March 2010. The visit had covered WFP operations in diverse settings, including urban areas, arid and semi-arid lands, and refugee camps. The Board members had been impressed by the government commitment and support to WFP activities, which were in turn aligned with government and partners' programmes and priorities, and effective in meeting beneficiaries' needs. WFP had a long-established presence in Kenya; interventions in some refugee camps were serving their third generation of beneficiaries, and the school feeding programme was WFP's longest-running.
107. In response, the Board commended WFP's work in the region, and emphasized the need to continue supporting countries' efforts to address enormous problems, especially in obtaining sufficient food. Board members' recommendations to the Secretariat included focusing on the gradual hand-over of school feeding to the Government and communities; addressing protection and health issues; strengthening WFP's alliance with the World Bank; piloting cash and voucher distributions; and continuing with P4P, including carrying out a mid-term evaluation to assess its efficacy.
108. Members welcomed the impact evaluation and appreciated the management responses to its recommendations. They noted that comments made at previous Board meetings had been incorporated into the evaluation methodology, and agreed with management that increasing advocacy work was the best response to recommendations that were outside WFP's mandate. Many members regretted the lack of a strong hand-over strategy and urged the Secretariat to help the Kenyan Government develop its food management and commodity procurement capacities; this would facilitate hand-over and encourage more cost-effective procurement than the current system in which each government-supported school procured its own food. WFP should operate school feeding programmes in only the poorest areas, while supporting government-run programmes elsewhere, including through comparisons of the cost-effectiveness of using home-grown versus imported foods. Some members noted a risk of creating dependency in pastoral and arid areas, where WFP had been distributing food for many years. Members also noted the need to develop baseline data at the onset of programmes, to allow the measurement of results.
109. While members were unanimous in recognizing school feeding as a valuable development tool for use in many different social contexts, some questioned its role in humanitarian assistance. School feeding excluded the most vulnerable children whose families could not send them to school, and often provided food to all the children in a school, regardless of their need. These members encouraged OE to identify the different impacts of school feeding in emergency and development settings, and to compare school feeding's cost-effectiveness with those of other interventions.
110. Regarding girls' drop-out from school at puberty, members suggested that more awareness-raising about the value of education be carried out in the communities where this occurred. They also recommended doing more to improve school environments and community support, and to address the other factors that reduced the positive impact of school feeding, such as lack of water and cooking facilities. WFP should work with the Government, NGOs and other partners to address shortcomings in the education system and infrastructure, and issues such as health and community support, to create an enabling environment.

111. The Director of OE confirmed that findings of this and other evaluations would be used to guide the design of school feeding policies and strategies. The evaluation had sought to find out why people did not send their children to school. While recognizing the difficulty in measuring the effect of school feeding on school attendance, it was clear that schools with feeding tended to have higher enrolment and attendance rates than those without. Comparisons with other interventions, such as cash and voucher distributions, could eventually be included in country portfolio evaluations.
112. The country director in Kenya reminded the Board that several groups of humanitarian actors had been formed to examine and promote education issues, such as the Essential Package, in Kenya. The Government was committed to taking over school feeding programmes, but sustainable funding was still a challenge. Home-grown school feeding was still in its early stages; its targeting and comparative cost-effectiveness were being established. WFP's selection criteria for school feeding schools included availability of food preparation facilities; a minimum of 100 students; and Ministry of Education approval of teachers' qualifications and teaching curricula. The country office was implementing some of the recommendations made during the Board visit, including beginning to develop a new country strategy. A series of assessments were expected in the near future, including the mid-term review of the CP, and these would help identify the way forward for the country office.
113. With regard to the draft CP for Burundi, Board members approved the fact that it built on the preceding PRRO and was in line with the new CP model, but felt that gender issues should be addressed more specifically. Board members were also pleased to see that agricultural and environmental skills training, health capacity training and food fortification were being carried out in partnership with FAO and IFAD with the support of the Government, which was also supporting school feeding. Some Board members wondered, however, whether the inclusion of very young children in school feeding was an appropriate approach and suggested that the resources could be used more effectively to support food-insecure families.
114. The Board cautioned that WFP's involvement in humanitarian operations should be limited to clear food-related interventions such as cash and voucher projects. It was suggested that health interventions, for example, be handled by WHO and UNICEF; to avoid duplication and overlaps. The proposed CP was felt to be timely and relevant in helping to address long-term issues such as land ownership and insecurity, and some Board members asked for clarification of WFP's plans for handing over to the Government.
115. In response, the Secretariat noted the Board's concerns regarding partnerships and gave assurances that WFP was working effectively with partners in line with the provisions of the country strategy document; complementarity and alignment with national priorities were sought in all cases. The Secretariat pointed out that WFP's VAM system enabled it to procure food in surplus areas and allocate it to food-insecure districts as part of the food assistance approach and in support of projects implemented by other United Nations agencies. WFP was working with UNICEF on young child development, and would review its school feeding policies in line with the Board's recommendations. Capacity development was ongoing in ministries and government departments with a view to eventual hand-over of WFP activities.

REPORTS OF THE EXECUTIVE DIRECTOR ON OPERATIONAL MATTERS

Programme Category Review (2010/EB.A/25) (*for consideration*)

116. The Secretariat introduced the document, summarizing the review of WFP's programme categories, which was part of the financial framework review and had been subject to extensive informal consultations. The programme categories – emergency operations (EMOPs), PRROs and development programmes (DEVs and CPs) – were reviewed as part of a need to: i) seek clarity and consistency in use of programme categories; ii) distinguish humanitarian and development actions within categories; and iii) ensure that WFP could access funding for longer-term action. The process involved: i) clarifying the relationship between WFP's Strategic Objectives and its programme categories, retaining flexibility at country level to determine the set of activities needed to achieve objectives; ii) revising programme guidance to ensure discipline and uniformity in use of categories; and iii) strengthening the programme-review process to oversee application of the categories. Programme guidance was being refined in consultation with, and in support of, country offices. Guidance and support would also be provided for field offices to work to obtain development funding at the country level. The Programme Review Committee had been strengthened and would be responsible for ensuring consistent application of the new guidance, while offices preparing projects to be presented to the committee were provided with advice and direction, including through field missions and support at country level. The document's draft decision did not require any changes to WFP rules and regulations.
117. The Board acknowledged the challenging work of reviewing WFP's programme categories and addressing the Board's concerns. Board members questioned the removal of a time limit for transitioning from EMOPs to PRROs, noting that clear transition strategies were required. More clarity was requested on the definition and use of the concepts of "relief", "recovery" and "early recovery", and when these would be agreed in the Board. The main indicators for transitions should be country needs and priorities, and a strategy was needed for funding development activities; well-designed projects would facilitate fundraising. Members also expressed support for expedited consideration and approval of DEVs and CPs, especially during the transition period.
118. The Secretariat agreed that sound, high-quality programmes were a prerequisite for funding humanitarian and development activities. EMOPs were to remain one-year operations, renewable, as a rule, and the transition to PRROs would be based on the local context and conditions rather than being forced after two years. The Secretariat concurred that taking into account governments' needs and priorities, and having sound appraisals, were essential to ensuring the quality of WFP's operations. The programme review process would be supported by revised and improved guidance for country offices.
119. At the suggestion of Board members, the draft decision was revised to include reference to the Board's expectation of further clarification with respect to the results of revised programme guidance and an assessment of its impact on the funding of activities aimed at overcoming the conditions leading to hunger and malnutrition.

ADMINISTRATIVE AND MANAGERIAL MATTERS

Report on Post-Delivery Losses for the Period 1 January–31 December 2009 (2010/EB.A/26) (*for consideration*)

120. The Deputy Executive Director responsible for the Operations Department and Chief Operating Officer introduced the issue. Of the 5.6 million mt of food, distributed in 2009, valued at US\$2.8 billion, about US\$10 million-worth had been lost, representing 0.37 percent of the total in value terms, or 0.38 percent of tonnage. These were slightly lower figures than those for 2008, implying that WFP's loss-reduction efforts were working. The Secretariat was particularly satisfied that the proportion of losses under the management of NGO partners had declined from 22 to 17 percent, following capacity development. Efforts were being made to reduce the losses over which WFP had some control, through improving procedures for monitoring, tracking and reporting of commodity movements, limiting storage times, reducing the moisture content of commodities to the extent possible, and ensuring optimum packaging. He thanked the food aid monitors and logistics staff in the field who were responsible for implementing these improvements. The report covered all reported losses, including those in Somalia.
121. The Board congratulated the Secretariat for these results, and appreciated the greater detail of the report, which outlined efforts to reduce and recoup losses by country. Members acknowledged that some commodity losses were inevitable, given the situations in which WFP delivered and distributed much of its food. They encouraged the Secretariat to continue its training of WFP and partner staff, and its efforts to improve storage and transportation conditions. Members suggested that the itineraries for transporting food be examined, and that the factors responsible for particularly high losses in some countries be examined.
122. In response to member's points and questions, the Secretariat noted that IPSAS had made it possible to report on the value of losses, as well as their tonnage. Quarterly stock reports made for a more regular and disciplined system. Training would continue because, although it was unrealistic to expect significant reductions from the current – already low – loss levels, training would prevent losses from increasing. The situation varied, but most country governments were strongly engaged in helping to reduce losses. The SAP logistics execution system (LES) would be piloted in a few countries, with a view to moving to a full SAP-based system; LES was to replace WFP's current Commodity Movement Processing and Analysis System (COMPAS).

Review of the Management and Administration in the WFP: Report by the Joint Inspection Unit (2010/EB.A/27) (*for information*)

123. In his introduction, the JIU representative expressed appreciation of the readiness with which the Executive Director and senior managers had responded to the recommendations in the report, which were designed to enhance the efficiency and effectiveness of WFP in achieving its dual mandate. He drew particular attention to three issues. The first was regarding the perceived fairness and transparency of the annual Reassignment, Rotation and Mobility (RRM) exercise, which involved 250 staff and cost US\$8 million, and the recommendation that the Executive Director commission a review of the procedures and seek improvements. The JIU representative noted that a new career management model was being developed in WFP that would address the concerns; a report on progress would be expected in 2011. The second was WFP's programme categories: the JIU representative noted that PRROs accounted for 60 percent of operational resources and that some donors

had reservations about the very general nature of the category that prevented them from making the unearmarked contributions that WFP was seeking. A new operational framework could encourage donors to provide more flexible contributions. On the third issue – exceptional promotions at the discretion of the Executive Director – JIU representative recommended that the practice be discontinued, as stated in the report; the management response had already taken the matter into consideration.

124. The Board welcomed the report, which it regarded as a valuable independent input that would make WFP more effective in its work to achieve MDG 1. Board members reiterated the need for more flexible contributions to WFP, and urged donors to consider the establishment of new and more flexible funding modalities. The Board was aware that the issue was a sensitive one that could have political implications, but agreed that the need for efficiency was the overriding consideration.
125. Board members endorsed the suggestion of a review by the Executive Director of decentralization and operational overlaps and gaps, noting that development of the proposed statement of internal control would support this. Several Board members stressed the need to recruit more staff from developing countries, especially at senior levels, and to revise RRM procedures to make them fully transparent and fair in the perceptions of staff. Board members strongly suggested that the oversight functions be exempt from RRM in view of the special skills required and the need for independence, in line with United Nations norms and procedures. Members looked forward to further updates on implementation of the recommendations.
126. In its response, the Secretariat emphasized that a new career development system was being developed on the basis of consultations with staff with a view to maximizing transparency and increasing the rigour of recruitment and reassignment processes; candidates for senior posts, for example, would be expected to undergo managerial assessments. The Secretariat drew attention to the complexity of the RRM exercise, in which issues as diverse as professional expectations, medical status, family matters and children's education had to be considered, but accepted the need to make the process fair and evidently transparent. Management was aware of the aim to increase the proportion of professional posts occupied by staff from developing countries, and was working to ensure that the expected numbers were achieved.

SUMMARY OF THE WORK OF THE EXECUTIVE BOARD

Summary of the Work of the First Regular Session of the Executive Board, 2010 (2010/EB.A/28) *(for approval)*

127. Some Board members requested the Secretariat to treat the document “Verification of Adopted Decisions and Recommendations” as an annex to the Summary. The Secretariat agreed to do so with immediate effect.

OTHER BUSINESS

Report on the Joint Visit to Rwanda of the Executive Boards of UNDP/UNFPA, UNICEF and WFP (2010/EB.A/30) (for information)

128. The Representative of the Czech Republic gave a brief account of the joint visit to Rwanda from 20 to 30 March 2010, during which the members of the boards of UNDP, the United Nations Population Fund (UNFPA), UNICEF and WFP had been impressed by the innovative approaches employed by WFP in its food assistance projects and by the progress of the Delivering as One pilot scheme. The group had also had instructive meetings with the President and with ministers, representatives of local authorities and NGOs, and heads of private-sector organizations. The members of the Boards noted that the MDGs were central to Rwanda's national strategies on food security, education, health and environmental sustainability; they had also observed that United Nations reform was having positive effects in Rwanda, backed by the vision and commitment of the Government. The group had been impressed by the work of the United Nations country team (UNCT), much of whose success was a result of its determination to overcome constraints.
129. The visiting Board members observed, however, that shortages of skilled staff impeded some reform processes, and that there was scope to align WFP's new hunger solution tools and other United Nations activities with government priorities. The group suggested that a fund be set up to support Delivering as One pilot countries.
130. The members of the Boards thanked the Government of Rwanda and the UNCT for their hospitality and support.

ACRONYMS USED IN THE DOCUMENT

ACABQ	Advisory Committee on Administrative and Budgetary Questions
VAT	value added tax
PSA	Programme Support and Administrative
AC	Audit Committee
DSC	direct support cost
NAO	National Audit Office of the United Kingdom
ERM	enterprise risk management
OSA	Office of Internal Audit
OS	Oversight Office
OIOS	United Nations Office of Internal Oversight Services
JIU	Joint Inspection Unit
MGS	Monitoring Group on Somalia
OE	Office of Evaluation
UNHCR	Office of the United Nations High Commissioner for Refugees
DPRK	Democratic People's Republic of Korea
UNICEF	United Nations Children's Fund
UNDP	United Nations Development Programme
PRRO	protracted relief and recovery operation
IDPs	internally displaced persons
CP	country programme
FFE	Food for education
FFA	food for assets
PTAs	parent-teacher associations
DEV	development project
IFAD	International Fund for Agricultural Development
EMOP	emergency operations
LES	logistics execution system
RRM	Rotation and Mobility
UNFPA	United Nations Population Fund
UNCT	United Nations country team

ANNEX I

DECISIONS AND RECOMMENDATIONS**Adoption of the Agenda**

The Board adopted the agenda as proposed.

7 June 2010

Appointment of the Rapporteur

In accordance with Rule XII of its Rules of Procedure, the Board appointed Ms Jacinta Muthoni Ngwiri (Kenya, List A) Rapporteur of the Annual Session of 2010.

7 June 2010

The decisions and recommendations in the current report will be implemented by the Secretariat in the light of the Board's deliberations, from which the main comments will be reflected in the summary of the work of the session.

CURRENT AND FUTURE STRATEGIC ISSUES**2009/EB.A/1 Opening Remarks by the Executive Director**

The Board took note of the presentation by the Executive Director. The main points of the presentation and the Board's comments would be contained in the summary of the work of the session. The Board also took note of the presentation by Ms Kristalina Georgieva, European Union Commissioner for International Cooperation, Humanitarian Aid and Crisis Response and by Mr Rajiv Shah, Administrator of the United States Agency for International Development.

7 June 2010

ANNUAL REPORTS**2010/EB.A/2 Annual Performance Report for 2009**

The Board approved the Annual Performance Report for 2009 (WFP/EB.A/2010/4), noting that it provides a comprehensive record of WFP performance for the year and invited management to present to the Board a paper on efficiency strategies.

9 June 2010

RESOURCE, FINANCIAL AND BUDGETARY MATTERS**2010/EB.A/3 Audited Annual Accounts, 2009**

The Board:

- i) approved the 2009 Annual Financial Statements of WFP, together with the Report of the External Auditor, pursuant to General Regulation XIV.6 (b);
- ii) noted the funding from the General Fund of US\$896,097 during 2009 for the ex-gratia payments and write-off of cash losses and advances to staff and suppliers; and
- iii) noted post-delivery losses of commodities during 2009 forming part of the operating expenses for the same period.

The Board also took note of the comments of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/4 Final Report of the Evaluation Panel on the Selection and Appointment of the WFP External Auditor for the Term 1 July 2010–30 June 2016

The Executive Board appointed the Comptroller and Auditor General of India as the WFP External Auditor for the term from 1 July 2010 to 30 June 2016.

The total annual remuneration of the External Auditor shall be US\$385,000, inclusive of fees and all other costs and expenses, to be paid in quarterly instalments.

Such annual remuneration may not be increased without prior authorization from the Board, following detailed justification by the External Auditor.

The Board authorized the Board President to sign the contract between WFP and the Comptroller and Auditor General of India on its behalf.

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/5 Appointment of Members to the Audit Committee

The Board approved on an exceptional basis due to the circumstances presented, the extension by one year of the terms of office as members of the Audit Committee of Mr Libero Milone and Mr Mirza Qamar Beg, until 29 July 2011 so that the terms end simultaneously.

The Board also approved the appointments of the following candidates as members of the Audit Committee:

Ms Irena Petruškevičienė, whose term shall begin on 30 July 2011 and expire on 29 July 2014; and

Mr James A. Rose III, whose term shall begin and end on those same dates.

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/6 Second Update on the WFP Management Plan (2010–2011)

Having considered “Second Update on the WFP Management Plan (2010–2011)” (WFP/EB.A/2010/6-D/1), the Board:

- i) took note of the projected total programme of work of US\$10.7 billion, excluding provision for unforeseen requirements;
- ii) approved the plan to provide for the unfunded staff liabilities over a 15-year period as outlined in this document;
- iii) approved an increase in the Programme Support and Administrative (PSA) appropriation for 2011 of US\$3.37 million to fund the PSA-related impact of the above plan in 2011; and
- iv) approved the use of the PSA Equalization Account as an alternative source of funding to cover expenditure totalling US\$38.9 million, originally approved for 2010–2011 against the unearmarked portion of the General Fund as outlined in this document.

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/7**Financial Framework Review Options**

The Board took note of the six recommendations made by the Secretariat as outlined in document WFP/EB.A/2010/6-E/1 and requested that they be further discussed at an informal consultation to provide timely guidance to the Secretariat and expedite the completion of the financial framework review by November 2010.

The Board also looked forward to being presented at its Second Regular Session in 2010 with:

- a) the proposed amendments to the WFP General Rules and Regulations and the Financial Rules and Regulations required to make changes to the WFP financial framework, and an outline of any other necessary changes; and
- b) a separate Board document on the issues of advance financing and forward purchase facility.

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

10 June 2010

2010/EB.A/8**Annual Report of the WFP Audit Committee**

The Board took note of “Annual Report of the WFP Audit Committee” (WFP/EB.A/2010/6-G/1).

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/9**Progress Report on the Implementation of the External Auditor Recommendations**

The Board took note of “Progress Report on the Implementation of the External Auditor Recommendations” (WFP/EB.A/2010/6-H/1).

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/10 Report of the Inspector General

The Board took note of “Report of the Inspector General” (WFP/EB.A/2010/6-I/1) and requested the Secretariat to forward it to the United Nations Office of Internal Oversight Services.

The Board also took note of the comments of the ACABQ (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/2) and the FAO Finance Committee (WFP/EB.A/2010/6(A,B,C,D,E,F,G,H,I,J,K)/3).

8 June 2010

2010/EB.A/11 Investigation on WFP Operations in Somalia

Having considered the documents entitled “Investigation on WFP Operations in Somalia” (WFP/EB.A/2010/6-K/1), “Investigation on WFP Operations in Somalia: Addendum – External Auditor Advices to the Executive Board: Somalia” (WFP/EB.A/2010/6-K/1/Add.1), and “Investigation on WFP Operations in Somalia: Addendum 2” (WFP/EB.A/2010/6-K/1/Add.2), the Board took note of and decided to approve the draft terms of reference as contained for a review of WFP Somalia operations. The Board requested the Secretariat to forward the terms of reference to the incoming External Auditor to undertake, in line with the terms of reference, a detailed review of WFP operations to deliver food aid in Somalia. Further, the Board requested the incoming External Auditor to issue a report on recommendations to enhance the framework of controls in Somalia for approval by the Board as soon as possible. Lastly, the Board requested the Secretariat to provide an update on the implementation of the recommendations of the WFP Inspector General to be presented in a report at the Second Regular Session in 2010.

10 June 2010

EVALUATION REPORTS**2010/EB.A/12 Annual Evaluation Report 2009**

The Board took note of “Annual Evaluation Report 2009” (WFP/EB.A/2010/7-A) and the management response in WFP/EB.A/2010/7-A/Add.1 and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

9 June 2010

ASIA REGIONAL PORTFOLIO**2010/EB.A/13 Summary Evaluation Report Timor-Leste PRRO 103881**

The Board took note of “Summary Evaluation Report Timor-Leste PRRO 103881 – Assistance to Vulnerable Populations” (WFP/EB.A/2010/7-E) and the management response in WFP/EB.A/2010/7-E/Add.1 and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

9 June 2010

2010/EB.A/14 PRROs for Executive Board Approval — Democratic People’s Republic of Korea 200114

The Board approved the proposed protracted relief and recovery operation Democratic People’s Republic of Korea 200114 “Nutrition Support for Women and Children” (WFP/EB.A/2010/9-C/1).

9 June 2010

MIDDLE EAST, CENTRAL ASIA AND EASTERN EUROPE REGIONAL PORTFOLIO

2010/EB.A/15 Summary Evaluation Report Egypt Country Programme 104500 (2007–2011)

The Board took note of “Summary Evaluation Report Country Programme Egypt 104500 (2007–2011) – Enabling Livelihoods, Nutrition and Food Security” (WFP/EB.A/2010/7-B) and the management response in WFP/EB.A/2010/7-B/Add.1 and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

9 June 2010

2010/EB.A/16 Development Projects for Executive Board Approval — Tajikistan 200120

The Board approved the proposed development project Tajikistan 200120 “Supporting Access to Education for Vulnerable Children” (WFP/EB.A/2010/9-A/2), subject to availability of resources.

9 June 2010

2010/EB.A/17 Development Projects for Executive Board Approval — Armenia

The Board approved the proposed development project Armenia 200128 “Development of Sustainable School Feeding” (WFP/EB.A/2010/9-A/3 + Corr.1), subject to the availability of resources.

9 June 2010

WEST AFRICA REGIONAL PORTFOLIO

2010/EB.A/18 Summary Evaluation Report Ghana Country Programme 104180 (2006–2010)

The Board took note of “Summary Evaluation Report Country Programme Ghana 104180 (2006–2010)” (WFP/EB.A/2010/7-C) and the management response in WFP/EB.A/2010/7-C/Add.1, and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

10 June 2010

2010/EB.A/19 Development Projects for Executive Board Approval — Benin 200045

The Board approved the proposed development project Benin 200045 “Promotion of Sustainable School Feeding” (WFP/EB.A/2010/9-A/1), subject to availability of resources.

10 June 2010

2010/EB.A/20 Budget Increases to Development Activities for Executive Board Approval — Central African Republic Development Project 103610

The Board approved the proposed budget increase of US\$9.4 million for the Central African Republic development project 103610 “Support for Education for All and Health” (WFP/EB.A/2010/9-B/1) to extend the project for 18 months from 1 July 2010 to 31 December 2011.

10 June 2010

2010/EB.A/21 Budget Increases to Development Activities for Executive Board Approval — Sierra Leone Country Programme 105840

The Board approved the proposed budget increase of US\$22.9 million to Sierra Leone country programme 105840 (WFP/EB.A/2010/9-B/2) for a period of two years from 1 January 2011 to 31 December 2012, with programmatic restructuring to take effect from 1 July 2010.

10 June 2010

2010/EB.A/22 Protracted Relief and Recovery Operations for Executive Board Approval — Sierra Leone 200062

The Board approved the proposed Sierra Leone PRRO 200062 “Protection of Livelihoods and Support to Safety Nets for Vulnerable Populations Recovering from Conflict” (WFP/EB.A/2010/9-C/2*).

10 June 2010

SOUTHERN, EASTERN AND CENTRAL AFRICA REGIONAL PORTFOLIO**2010/EB.A/23 Summary Evaluation Report of the Impact Evaluation of WFP School Feeding Programmes in Kenya (1999–2008)**

The Board took note of “Summary Evaluation Report of the Impact Evaluation of WFP School Feeding Programmes in Kenya (1999–2008) – A Mixed-Methods Approach” (WFP/EB.A/2010/7-D) and the management response in WFP/EB.A/2010/7-D/Add.1 and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

10 June 2010

2010/EB.A/24 Draft Country Programmes — Burundi 200119 (2011–2014)

The Board endorsed draft country programme Burundi 200119 (2011–2014) (WFP/EB.A/2010/8), for which the food requirement is 42,930 mt at a total cost to WFP of US\$43.6 million, and authorized the Secretariat to formulate a country programme, taking into account the observations of the Board.

10 June 2010

REPORTS OF THE EXECUTIVE DIRECTOR ON OPERATIONAL MATTERS**2010/EB.A/25 Programme Category Review**

The Board took note of “Programme Category Review” (WFP/EB.A/2010/11/Rev.1) and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

The Board also expected to receive further clarification with respect to the implementation of the revised programme guidance and its results, including an assessment of its impact on the funding of activities aimed at overcoming the conditions leading to hunger and malnutrition.

7 June 2010

ADMINISTRATIVE AND MANAGERIAL MATTERS**2010/EB.A/26 Report on Post-Delivery Losses for the Period 1 January–31 December 2009**

In considering “Report on Post-Delivery Losses for the Period 1 January–31 December 2009” (WFP/EB.A/2010/13-A/Rev.2), the Board noted the country-specific and commodity-specific losses and the corrective actions taken by WFP, governments and partners to minimize post-delivery losses. It encouraged the Secretariat to ensure that losses are kept to a minimum, to seek reimbursement from governments that lose commodities through negligence and to continue to report to the Board annually on progress.

10 June 2010

2010/EB.A/27 Review of the Management and Administration in the WFP: Report by the Joint Inspection Unit

The Board took note of “Review of the Management and Administration in the WFP: Report by the Joint Inspection Unit” (WFP/EB.A/2010/13-B) and the management response in WFP/EB.A/2010/13-B/Add.1 and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

8 June 2010

SUMMARY OF THE WORK OF THE EXECUTIVE BOARD**2010/EB.A/28 Summary of the Work of the First Regular Session of the Executive Board, 2010**

The Board approved the document “Draft Summary of the Work of the First Regular Session of the Executive Board, 2010”, the final version of which would be embodied in the document WFP/EB.1/2010/17.

10 June 2010

OTHER BUSINESS**2010/EB.A/29 Report on the Field Visit to Kenya of the WFP Executive Board**

The Board took note of “Report of the Field Visit to Kenya of the WFP Executive Board” (WFP/EB.A/2010/15-A) and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

10 June 2010

2010/EB.A/30 Report on the Joint Visit to Rwanda of the Executive Boards of UNDP/UNFPA, UNICEF and WFP

The Board took note of “Report on the Joint Field Visit to Rwanda of the Executive Boards of UNDP/UNFPA, UNICEF and WFP” (WFP/EB.A/2010/15-B) and encouraged further action on the recommendations, taking into account considerations raised by the Board during its discussion.

10 June 2010

ANNEX II

AGENDA

1. *Adoption of the Agenda* (for approval)
2. *Appointment of the Rapporteur*
3. *Opening Remarks by the Executive Director*
4. *Annual Reports*
 - Annual Performance Report for 2009 (*for approval*)
5. *Policy Issues*
 - a) Policy for Disclosure of Internal Audit Reports to Member States (*for information*)
 - b) WFP Anti-Fraud and Anti-Corruption Policy (*for information*)
6. *Resource, Financial and Budgetary Matters*
 - a) Audited Annual Accounts, 2009 (*for approval*)
 - b) Final Report of the Evaluation Panel on the Selection and Appointment of the WFP External Auditor for the Term 1 July 2010–30 June 2016 (*for approval*)
 - c) Appointment of Members to the Audit Committee (*for approval*)
 - d) Second Update on the WFP Management Plan (2010–2011) (*for approval*)
 - e) Financial Framework Review Options (*for approval*)
 - f) Proposed Amendments to the Terms of Reference of the WFP Audit Committee (*for information*)
 - g) Annual Report of the WFP Audit Committee (*for consideration*)
 - h) Progress Report on the Implementation of the External Auditor Recommendations (*for consideration*)
 - i) Report of the Inspector General (*for consideration*)
 - j) Report of the Executive Director on the Utilization of Contributions and Waivers of Costs (General Rules XII.4 and XIII.4 (g)) (*for information*)
 - k) Investigation on WFP Operations in Somalia (*for information*)
7. *Evaluation Reports*
 - a) Annual Evaluation Report 2009 and Management Response (*for consideration*)
 - b) Summary Evaluation Report Country Programme Egypt 104500 (2007–2011) and Management Response (*for consideration*)
 - c) Summary Evaluation Report Country Programme Ghana 104180 (2006–2010) and Management Response (*for consideration*)
 - d) Summary Evaluation Report of the Impact Evaluation of WFP School Feeding Programmes in Kenya (1999–2008) and Management Response (*for consideration*)
 - e) Summary Evaluation Report Timor-Leste PRRO 103881 and Management Response (*for consideration*)
 - f) Implementation Status of Evaluation Recommendations (*for information*)

Operational Matters

8. ***Draft Country Programmes (for consideration)***
 - Burundi 200119 (2011–2014)
9. ***Projects for Executive Board Approval (for approval)***
 - a) Development Projects
 - Armenia 200128
 - Benin 200045
 - Tajikistan 200120
 - b) Budget Increases to Development Activities
 - Central African Republic 103610
 - Sierra Leone 105840
 - c) Protracted Relief and Recovery Operations
 - DPR Korea 200114
 - Sierra Leone 200062
10. ***Budget Increases to PRROs Approved by Correspondence***
 - Niger 106110
11. ***Reports of the Executive Director on Operational Matters***

Programme Category Review *(for consideration)*

 - a) Budget Increases to Development Activities Approved by the Executive Director (1 July–31 December 2009) *(for information)*
 - b) Protracted Relief and Recovery Operations Approved by the Executive Director (1 July–31 December 2009) *(for information)*
 - Djibouti 105441
 - Namibia 200061
 - Rwanda 200030
 - United Republic of Tanzania 200029
 - c) Budget Increases to PRROs Approved by the Executive Director (1 July–31 December 2009) *(for information)*
 - d) Report on the Use of the Immediate Response Account (1 January–31 December 2009) *(for information)*
12. ***Organizational and Procedural Matters***
 - Biennial Programme of Work of the Executive Board (2010–2011) *(for information)*

13. Administrative and Managerial Matters

- a) Report on Post-Delivery Losses for the Period 1 January–31 December 2009
(for consideration)
- b) Review of the Management and Administration in the WFP: Report by the Joint Inspection Unit and Management Response *(for information)*
- c) Update on WFP Food Procurement *(for information)*
- d) Statistical Report on WFP International Professional Staff and Higher Categories
(for information)
- e) Information Note on Funding of Security Management Arrangements
(for information)
- f) WFP Security Report *(for information)*

14. Summary of the Work of the First Regular Session of the Executive Board, 2010
(for approval)

15. Other Business

- a) Report on the Field Visit to Kenya of the WFP Executive Board *(for information)*
- b) Report on the Joint Field Visit to Rwanda of the Executive Boards of UNDP/UNFPA, UNICEF and WFP *(for information)*

16. Verification of Adopted Decisions and Recommendations