



WINGS **II**

Informal Consultation with the Executive Board

Rome, 29 September 2008

- **Purpose of consultation**
- **Why WINGS II?**
- **Key achievements to meet IPSAS**
- **Scope**
- **Technical delivery plan**
- **Organisational readiness**
- **Key challenges**
- **Questions & Discussion**

- **To update the membership on the status and approach of the WINGS II programme**
- **An opportunity to have an exchange of views on the WINGS II programme of work**

1. **WFP's current systems have served it for a decade, and must be upgraded for technical and cost reasons.** The new systems must be capable of being improved through evolution rather than through future large-scale upgrades.

2. **WFP has changed since the current systems and processes were designed.**
 - Commodity volumes managed by WFP have greatly increased and have become less predictable
 - WFP has decentralised management of operations and decision-making
 - WFP has embarked on a series of major business initiatives to improve effectiveness, transparency and accountability

3. **Like the rest of the UN, WFP is adopting International Public Sector accounting Standards (IPSAS): these require profound changes to WFP's processes and systems.**

- Completed the configuration of the new SAP system
- Completed the first set of critical software programmes to enhance/interface with SAP
- Completed three cycles of integration testing; an additional integration test cycle will also be executed in October
- Conducting dry-runs of migration of data from the legacy systems to WINGS II
- Completed the development of the training & support infrastructure that will be used to deliver training to users and will continue to be maintained as a performance support system
- Populating training & support systems with learning material

Overall Design Approach for IPSAS

- Accounting processes embedded in business processes as much as possible to limit impact on the organization and improve data quality, consistency and timeliness
- Designed IPSAS compliant processes around standard SAP functionality to avoid modification to SAP
- Incremental approach including (interim) integration with legacy systems to minimize impact on the organization
- Re-definition of enterprise accounting structures to support IPSAS requirements

Inventory (IPSAS 12)

- Based on management of stock level and value through inventory management module of SAP, integrated with logistics execution and accounting modules to provide timely and accurate data
- Inventory stock valuation in several dimensions - by Programme category (& other funds); by Project; by Country; and by Commodity/Material type
- Integration with corporate food commodity tracking system for timely update of inventory levels up to the hand-over point in the supply chain
- Integrated inventory management for food commodity and for non-food items held in inventory for rapid deployment (eg. UNHRD)

Fixed and Intangible Assets (IPSAS 17 / IAS 38)

- Implementation of SAP Asset Accounting module fully integrated with procurement and financial processes to manage fixed asset to be capitalized supporting all aspects of asset accounting
- Implementation of accounting structures to support management of intangible assets acquired or developed internally

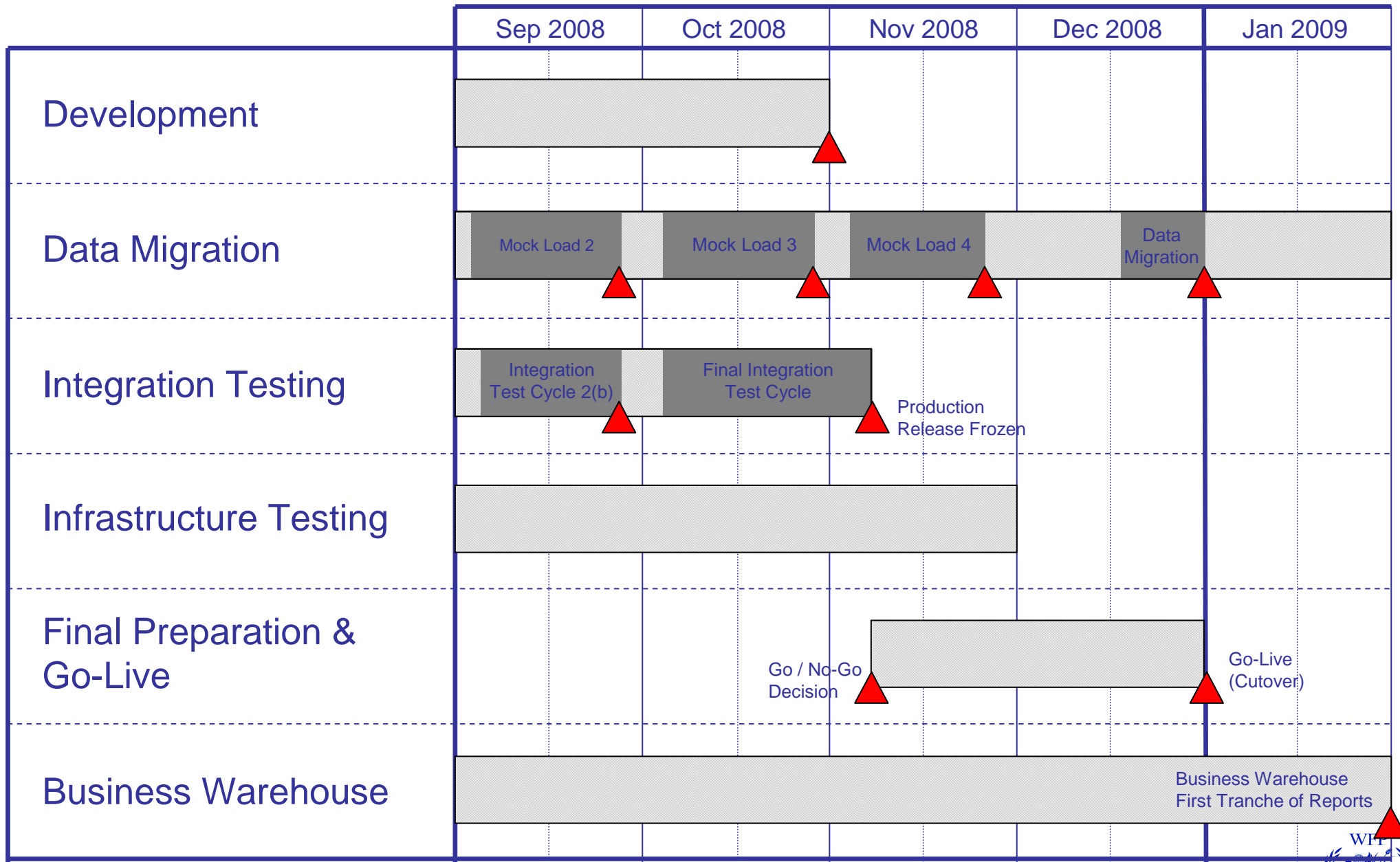
Employee Benefits (IPSAS 25)

- Enhanced reporting on benefits accrued liabilities to support financial accounting activities
- Automatic calculation and posting of employee benefits accrued liabilities achieved for some benefits

There have been two changes to the scope since the February 2008 Executive Board:

1. A fully integrated version of the Project Planning Tool will now be implemented as part of the 2009 Edition (this was originally deferred to a later release, with an interim solution to be implemented in January 2009)
2. A local payroll system (PASport) has been added to the original scope, following approval of funding by the June 2008 Board session

Technical Delivery Plan



In addition to developing and testing the system, a number of other activities are being carried out to prepare the organisation for the new solution:

- Defining detailed cutover plans for each area, to allow the new system to be introduced in a way that is manageable for the organisation
- Updating guidance material, directives and procedures
- Mobilising staff from different WFP offices to form the structure that will support users before and after Go-live
- Performing closure activities as early as possible - recording of 2008 transactions by 31 December to reduce Go-live complexity
- Country Directors briefing in Rome immediately following the global meeting in October, to:
 - Present what will be happening with WINGS just before and just after the cutover
 - Describe how training and support will be delivered
 - Hear and address concerns

- Challenging timeframe for introduction of 2009 Edition within the organization
- Train about 3,000 people in 80 countries in a short time period on new processes and systems

- Committed to January go-live
- Evaluating risks and analyzing options for cut-over to minimize impact on the organization
- Will keep the Board informed

Questions ?