



Baby Hygiene Kits consist of the following:

- 1. Baby diaper
- 2. Small toy ball
- 3. 3x Children's tooth brush
- 4. 2x Children's tooth paste

Resource Management Department **SEMINAR**

Executive Board, 17 January 2018

AGĒNDA

Introduction

1. Enabling Operations

2. Connecting Resources to Results

3. Safeguarding Resources

Key EB dates



INTRODUCTION

OUR TEAM



Manoj Juneja
Assistant Executive Director
for RM and CFO



Erika Joergensen
Budget & Programming (RMB)



Nicholas Nelson
Finance & Treasury (RMF)



Philip Ward
Management Services (RMM)



Jane Pearce
Performance Management
& Monitoring (RMP)



Christophe Boutonnier
Security (RMQ)



Sergio Arena
Staff Wellness (RMW)



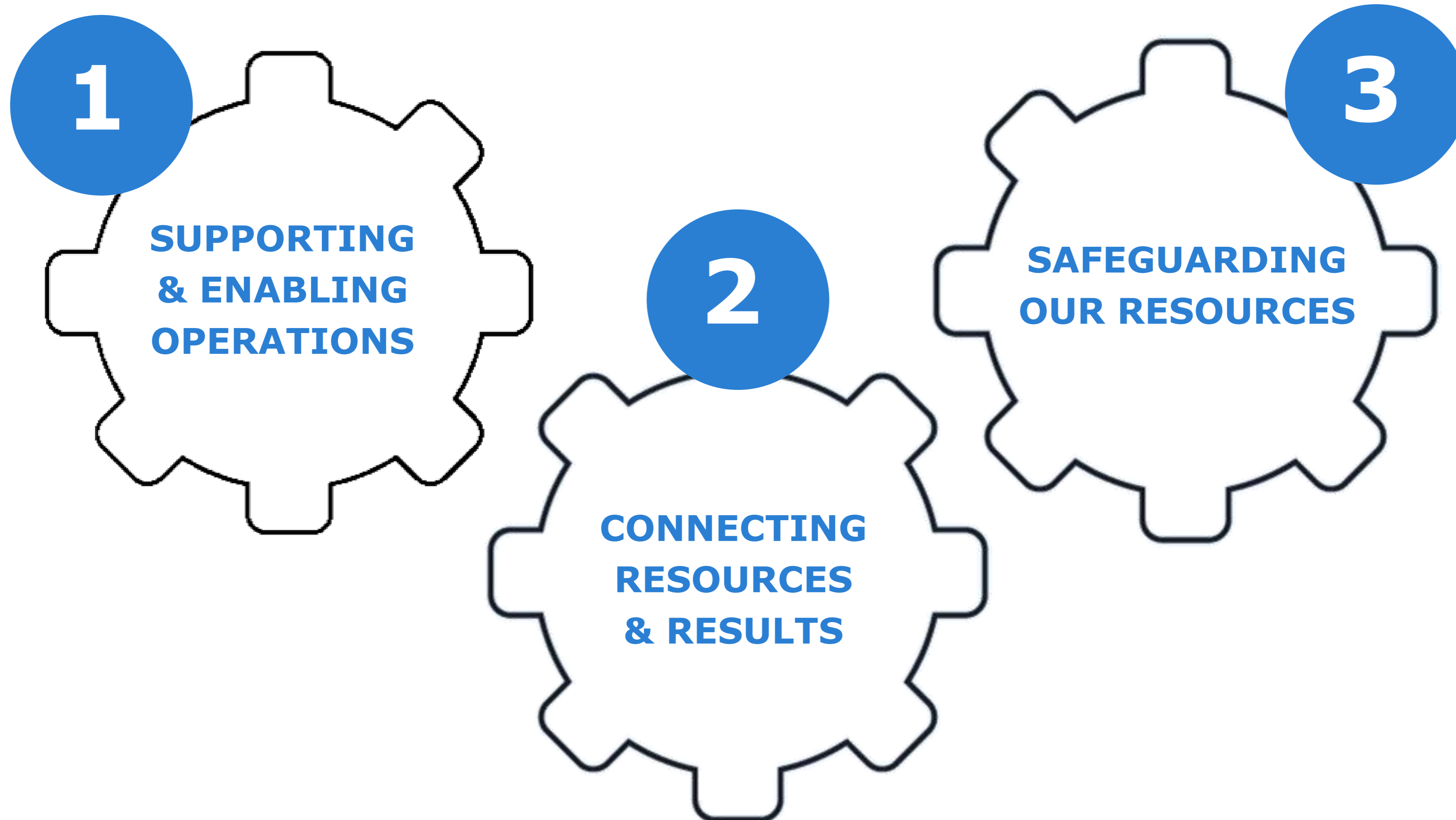
Enterprise Risk
Management (RMR)

RM in one sentence

Supporting and enabling operations by leading performance management and safeguarding resources to improve the lives of the people we serve

WHAT WE DO

3 Key Thematic Areas





1

SUPPORTING & ENABLING OPERATIONS

Enabling Financial Tools
Taking care of our people

ENABLING FINANCIAL TOOLS



Erika Joergensen

Budget & Programming (RMB)



Nicholas Nelson

Finance & Treasury (RMF)



Internal Project Lending and Macro-Advance Financing (IPL)



Immediate Response Account (IRA)



Global Commodity Management Facility (GCMF)



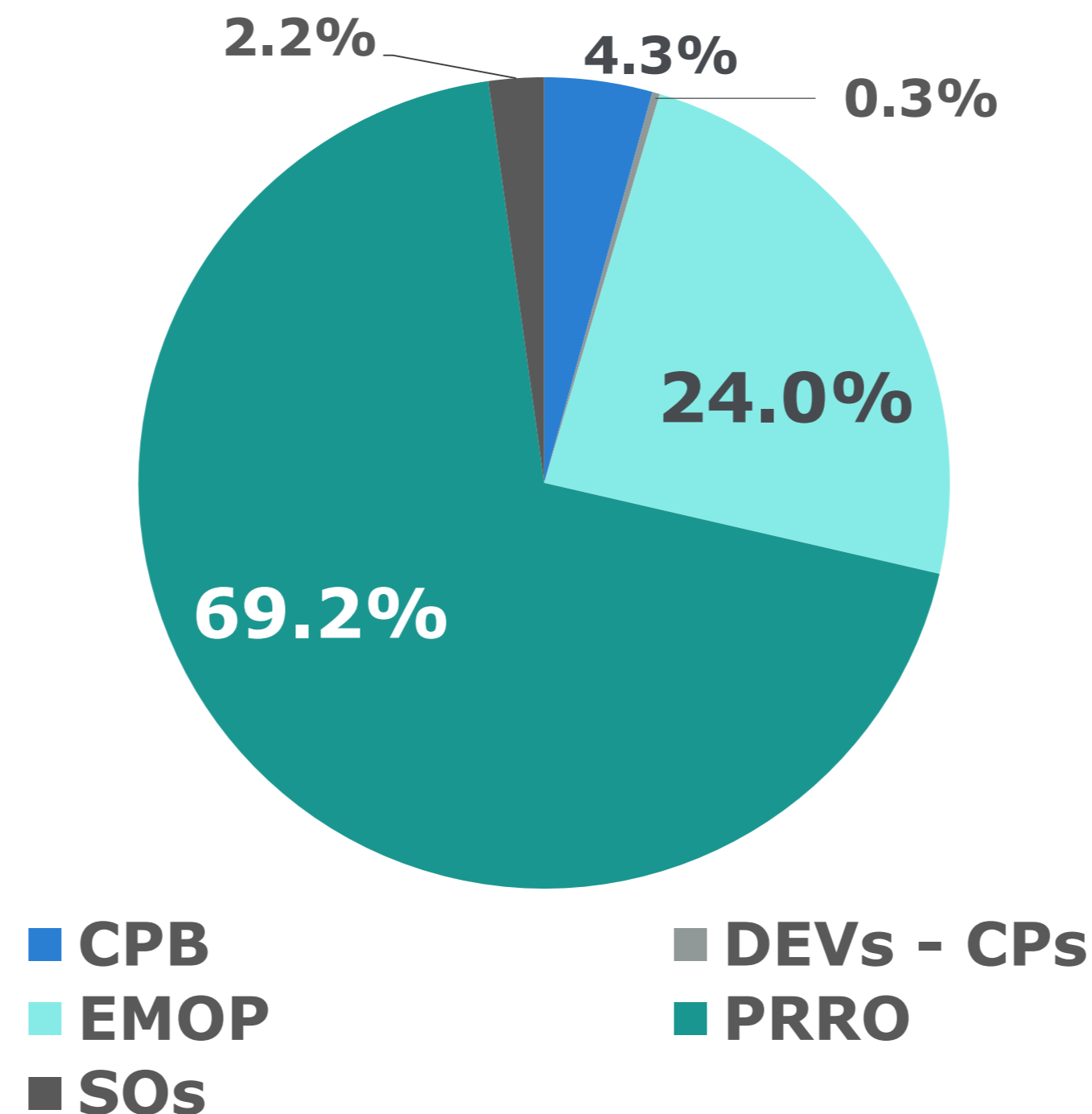
Cash-Based Transfers (CBT)

Advance release of funds and use of IRA

Provides timely spending authority to projects before contributions are confirmed through Internal Project Lending (IPL)

IPL
USD 1.3 B

179 advances



IRA
USD 154 M

- **USD 61 million in new contributions from donors**
- **74% revolved by reimbursement from donor contributions**

Financial tools for more effective and efficient food delivery

GCMF

Gradually becoming the “new norm” for increased efficiency, the GCMF allows:

- faster response to emergencies
- steady supply of commodities at a reduced lead-time
- procurement of food when markets are favourable

HIGH PERFORMANCE

USD 800 million purchase value for 2017

The capital of USD 350 million rotates on average 2.5 times per year



BENEFICIARIES REACHED



25 million beneficiaries in 2016

30% of 82 million beneficiaries reached by WFP

SAVED

nearly
3 months

in lead time thanks to GCMF as compared with conventional procurement process

1.7 million mt of food went through GCMF, which is equivalent to 47% of all food resourced in 2017

Innovating for Efficiency & Effectiveness in CBT

CBT in 2017

USD 1.4 B transferred **63%**
Increase from 2016

in 60 countries

to 14.3 M people in need*

**2017 beneficiary total being finalized*

Global Beneficiary Payment Solution (GBPS)

BENEFITS

- Cost & reduced risk
- Speed efficiency & flexibility
- Scalability & security
- Beneficiary centric
- Regulatory compliance



Blockchain

BENEFITS

- Fosters inter-agency collaboration
- Reduced CBT costs & financial risk
- Better protection of beneficiary privacy
- Reduced CBT implementation time & simplified reconciliation
- Thorough tracking of assets

Jordan Pilot & Scale up

From 10,500 people served in 2017, with the goal of 100,000+ in 2018

Prioritized Financial Service Providers



Standard Chartered



Ecobank
The Pan African Bank



The CBT Special Account Platform

USD 141.76 M
cash transfer value



1 million
people served



WFP managed service that **enables other humanitarian organizations and governments** to benefit from WFP's Cash Transfer experience and infrastructure



7 Country Offices
currently on board



18 Partner Users



LOOKING AFTER OUR PEOPLE



Christophe Boutonnier

Security
(RMQ)



Sergio Arena

Staff Wellness
(RMW)



Philip Ward

Management
Services
(RMM)

STAFF SECURITY & SAFETY



Security Training

STAFF WELLNESS



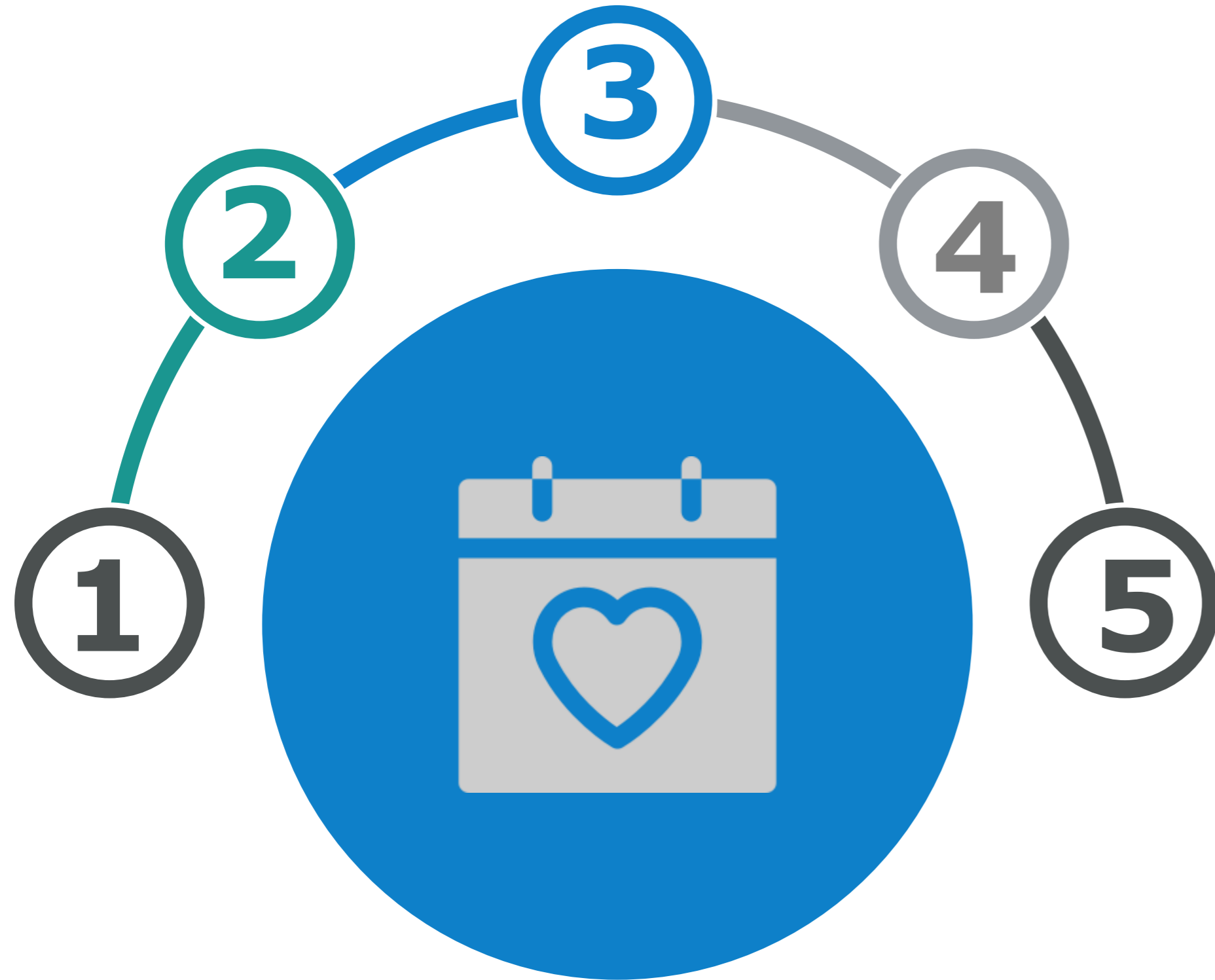
Vaccination Campaign in
South Sudan

FACILITIES & ACCOMMODATION



Upgrade of accommodation

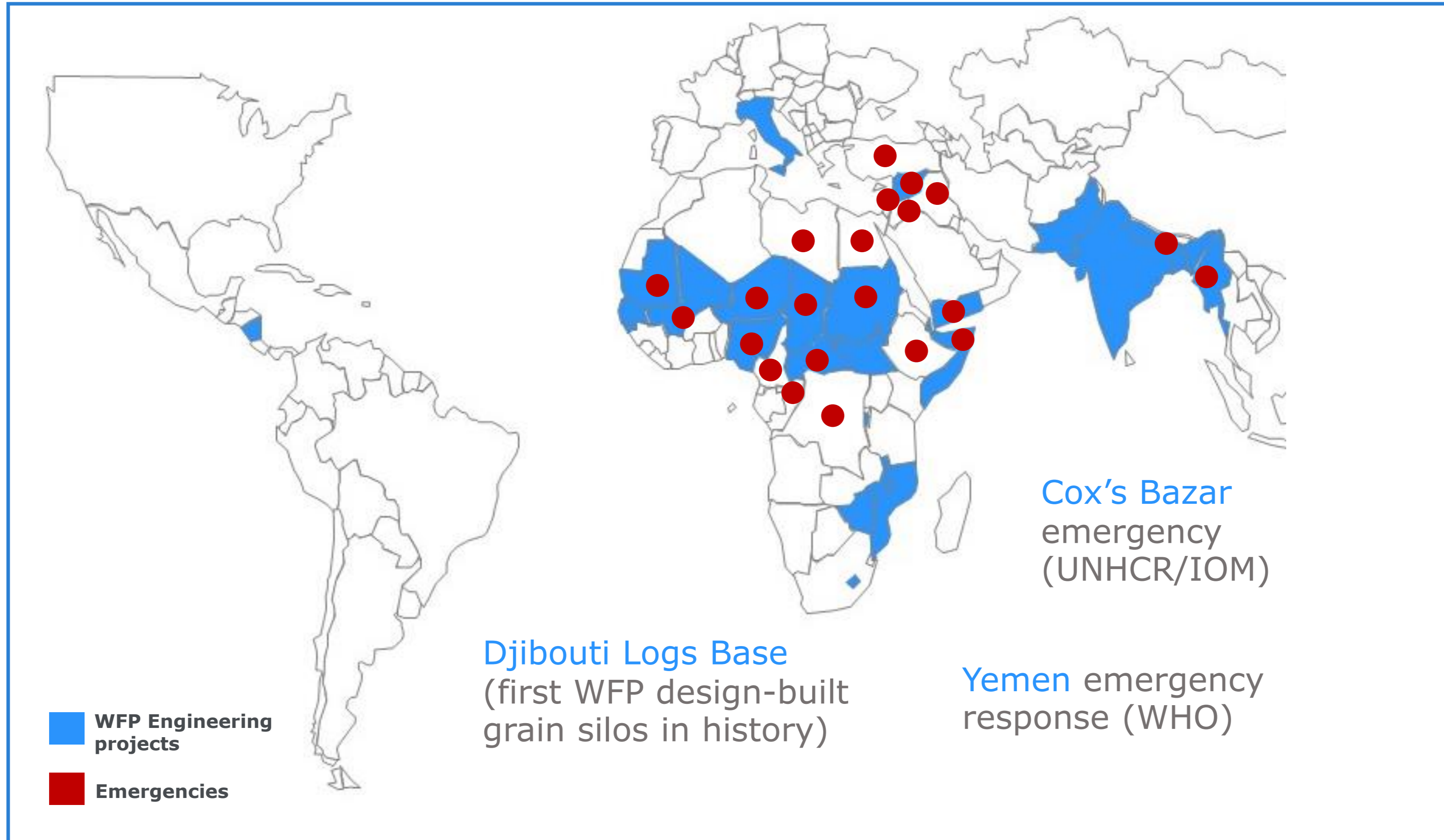
Staff Wellness Strategy



- **Medical health**
- **Psychological health**
- **Working and living conditions**
- **Safety**
- **HR stewardship**

MAY: EB Briefing on the Wellness Strategy

WFP Engineering



USD 126 M

Engineering work
57 projects in
27 countries

Global team
+90 Engineers

Projects
10 of 11
Corporate
Emergencies

Accommodation



80+ Guesthouses



21 countries



14,000+ guests annually



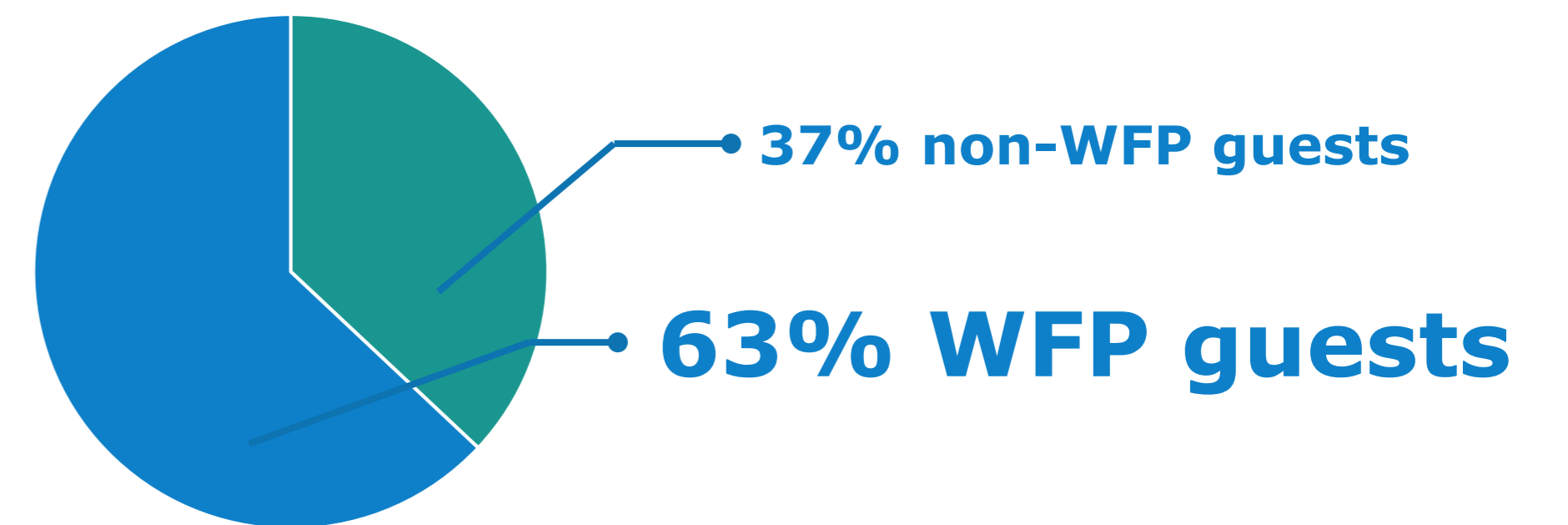
WFP is the second largest humanitarian guesthouse provider

INTER-AGENCY LEADERSHIP

Top 5 Countries for overall bookings in 2017

1. South Sudan
2. Chad
3. Kenya
4. Haiti
5. Sudan

Guest's origin share





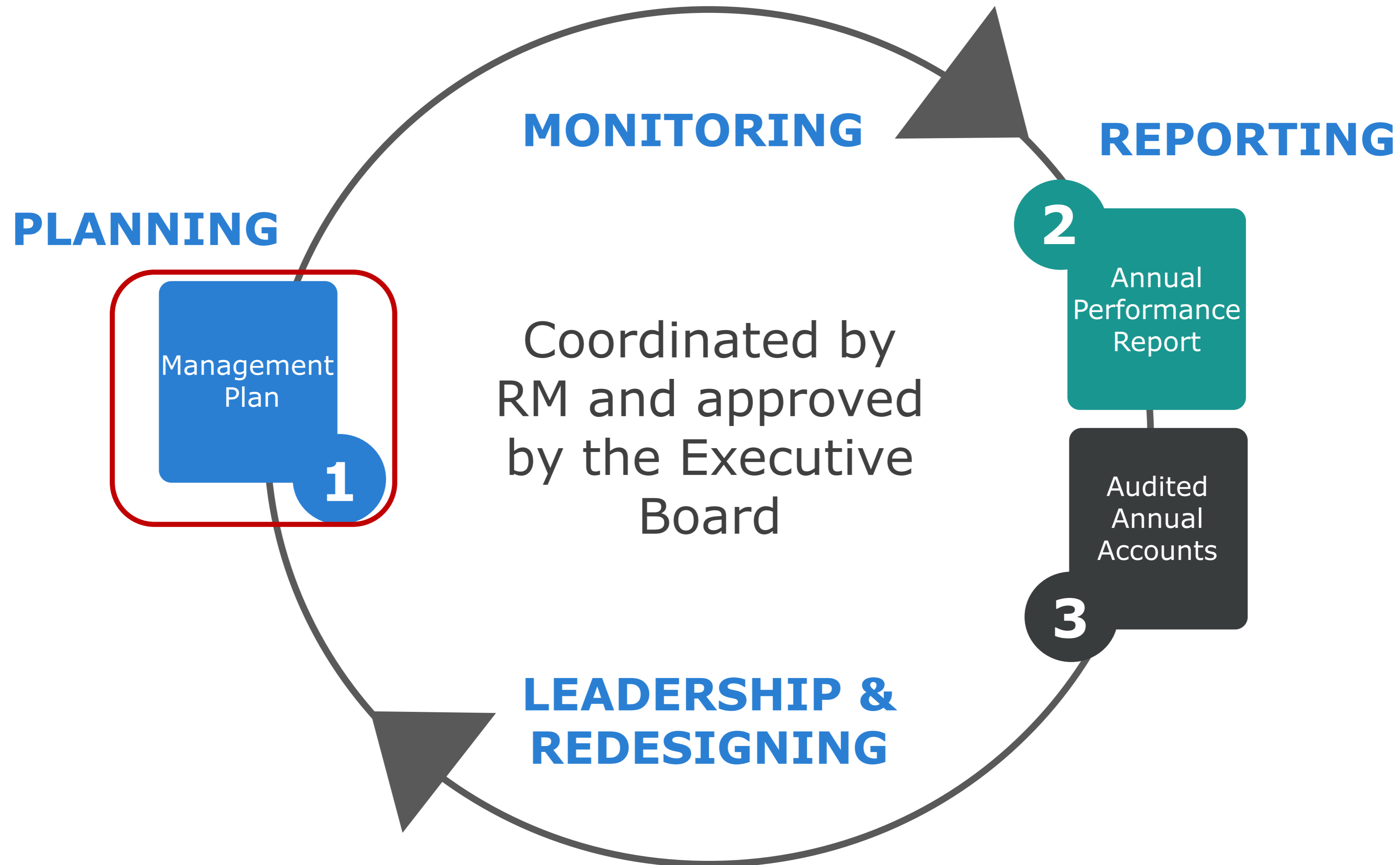
2

CONNECTING RESOURCES TO RESULTS

2018 Planning and Reporting
WFP funding windows and SRAC

CONNECTING RESOURCES TO RESULTS

The 3 Key RM-related EB Documents



WFP's Funding Windows

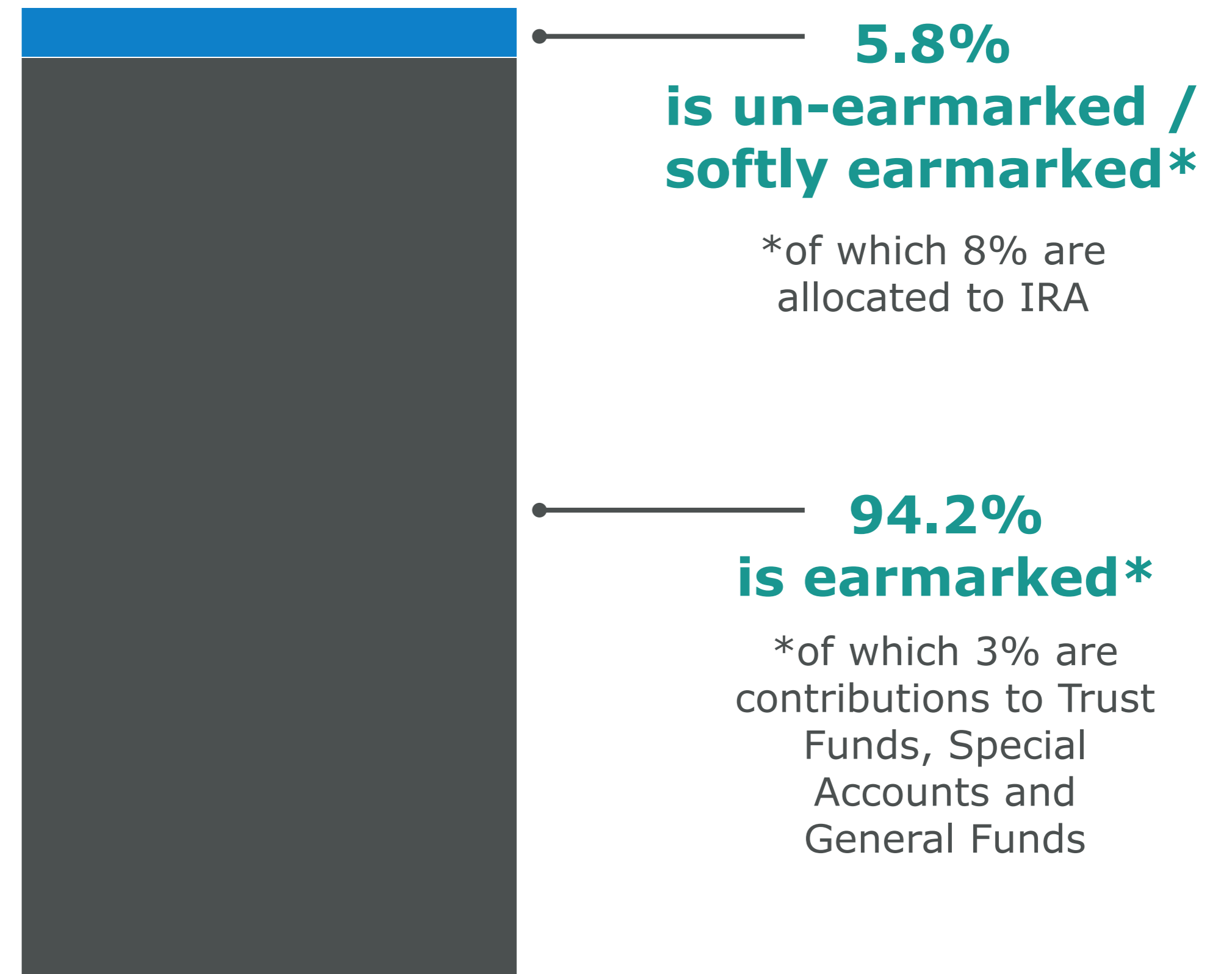
UN-EARMARKED & SOFTLY EARMARKED

- Most flexible source of funding for WFP
- Allocated and prioritized by Strategic Resource Allocation Committee (SRAC)

EARMARKED

- Directed by donor to a specific WFP activity or country programme
- Standard Project Reports that are submitted to the Executive Board

PROPORTION OF FUNDING IN 2017



Strategic Resource Allocation Committee (SRAC)

STRUCTURE

- Composition: Leadership Group
- Secretariat: Budget & Programming Division (RMB)

THE SRAC IS RESPONSIBLE FOR

Allocation of resources over which management has discretion, including

- Unearmarked or softly earmarked contributions
- Extra-budgetary funds
- PSA funds
- Capital Budgeting Facility

Key Figures: 2018 Prioritized Plan of Work



**82
countries**



**69 million
beneficiaries**



**15 billion
rations**



**USD 5.9
billion
prioritized
PoW**

The Prioritized Plan of Work (PoW) is prepared within the context of assessed needs, forecasted funding, the scope of the Strategic Plan and organizational capacity



Management Plan Webpage (DEMO)

<https://mpdata.wfp.org>

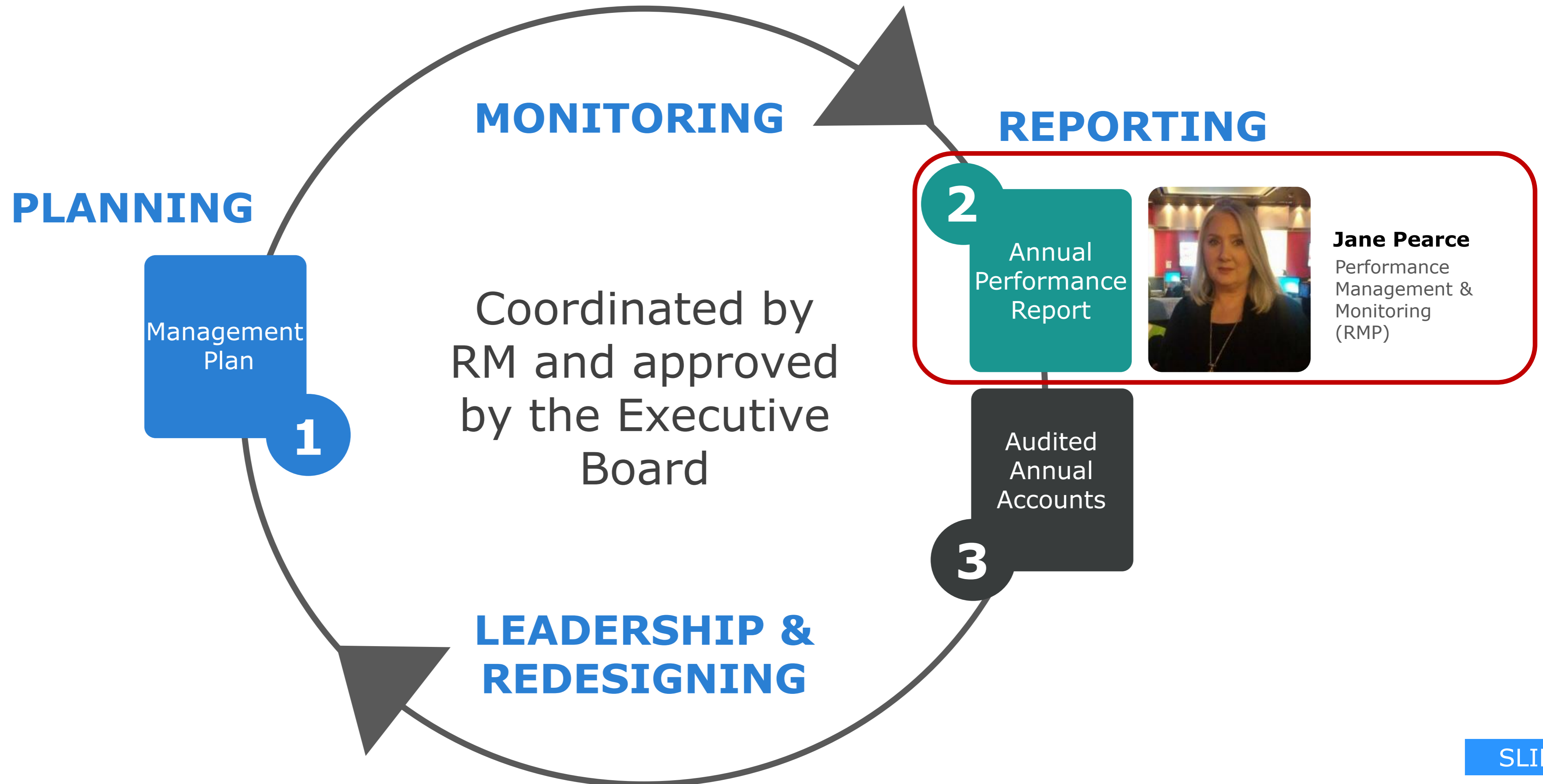
Indirect Support Costs: Background

- 1** | **ISC rates are approved annually by the Executive Board in the Management Plan**
- 2** | **Policy of a flat rate (currently 6.5% from 2018) applicable to most contributions**
- 3** | **However, ISC policy as currently stated lacks flexibility in application because of governance decisions**
- 4** | **Other Agencies have greater flexibility to propose lower ISC rates because of the regulatory framework and funding streams**
- 5** | **With the disaggregation of the PSA budget in 2018 into 5 results pillars, discussion with the Board will continue, including possible criteria for flexibility in the application of ISC rates**

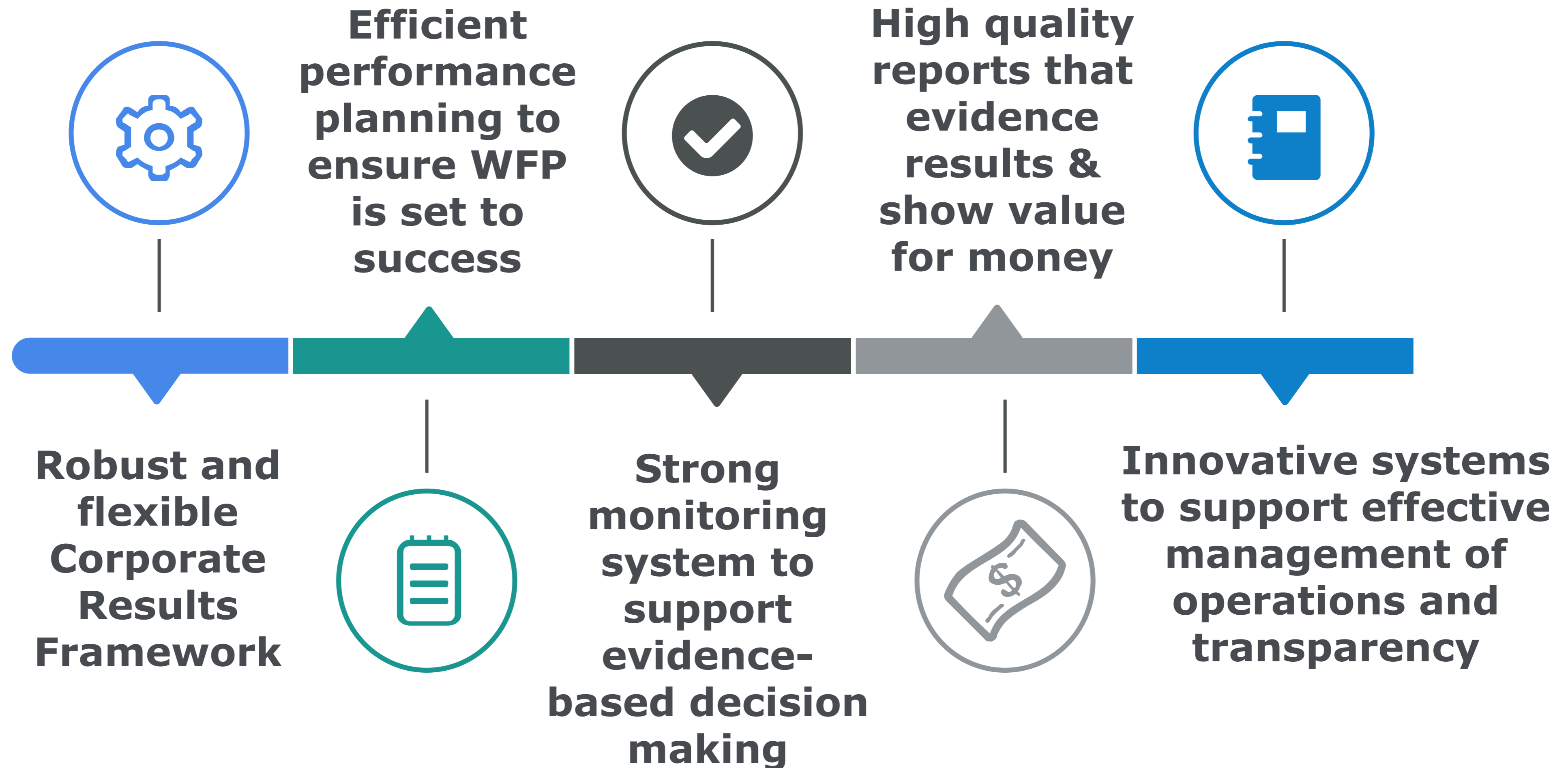


CONNECTING RESOURCES TO RESULTS

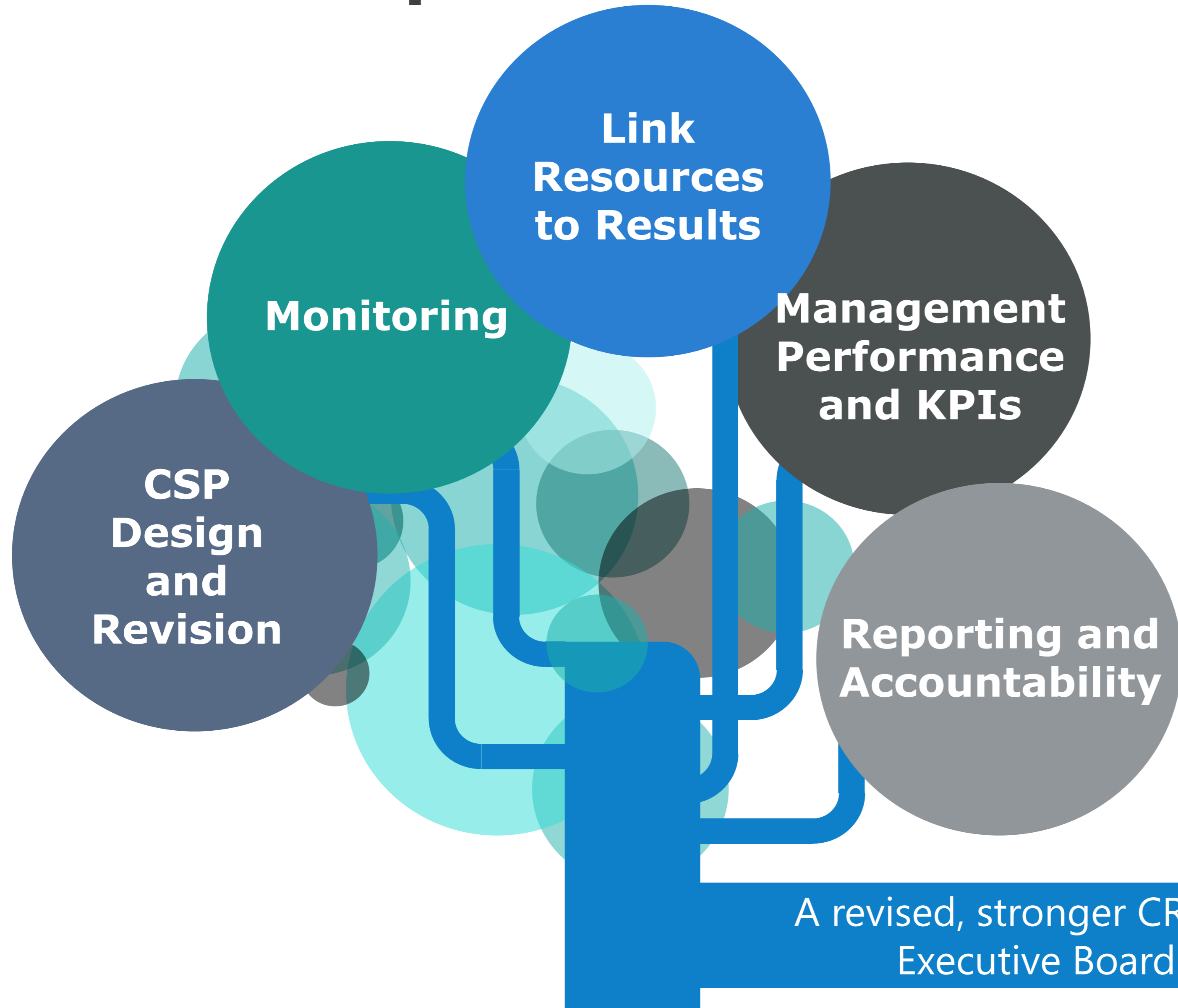
The 3 Key RM-related EB Documents



Demonstrating Value for Money through strong Performance Management and Accountability



Corporate Results Framework (CRF)



The Corporate Results Framework (CRF) lays out the **strategic goals, outcomes** and **results** relating to the **Strategic Plan (2017-2021)** including the **indicators** WFP uses to **plan, monitor** and **report** on its **programmes** and its **management performance**.

The framework includes indicative measures to capture management performance in terms of **efficiency, effectiveness** and **economy**.

A revised, stronger CRF will be presented to the Executive Board in **November 2018**

CRF in action: Example from Zimbabwe

WFP Strategic Result 1

Everyone has access to food

USD 16.7 m

Strategic Outcome 1

Food insecure people, including refugees, in the most affected districts are enabled to meet their basic food and nutrition requirements during severe seasonal shocks

1.1. Maintained/ enhanced individual and household access to adequate food

USD 16.7 m

Activity 1

Provide cash and/or food transfers to the most vulnerable households affected by seasonal food shortages

Unconditional resource transfers to support access to food

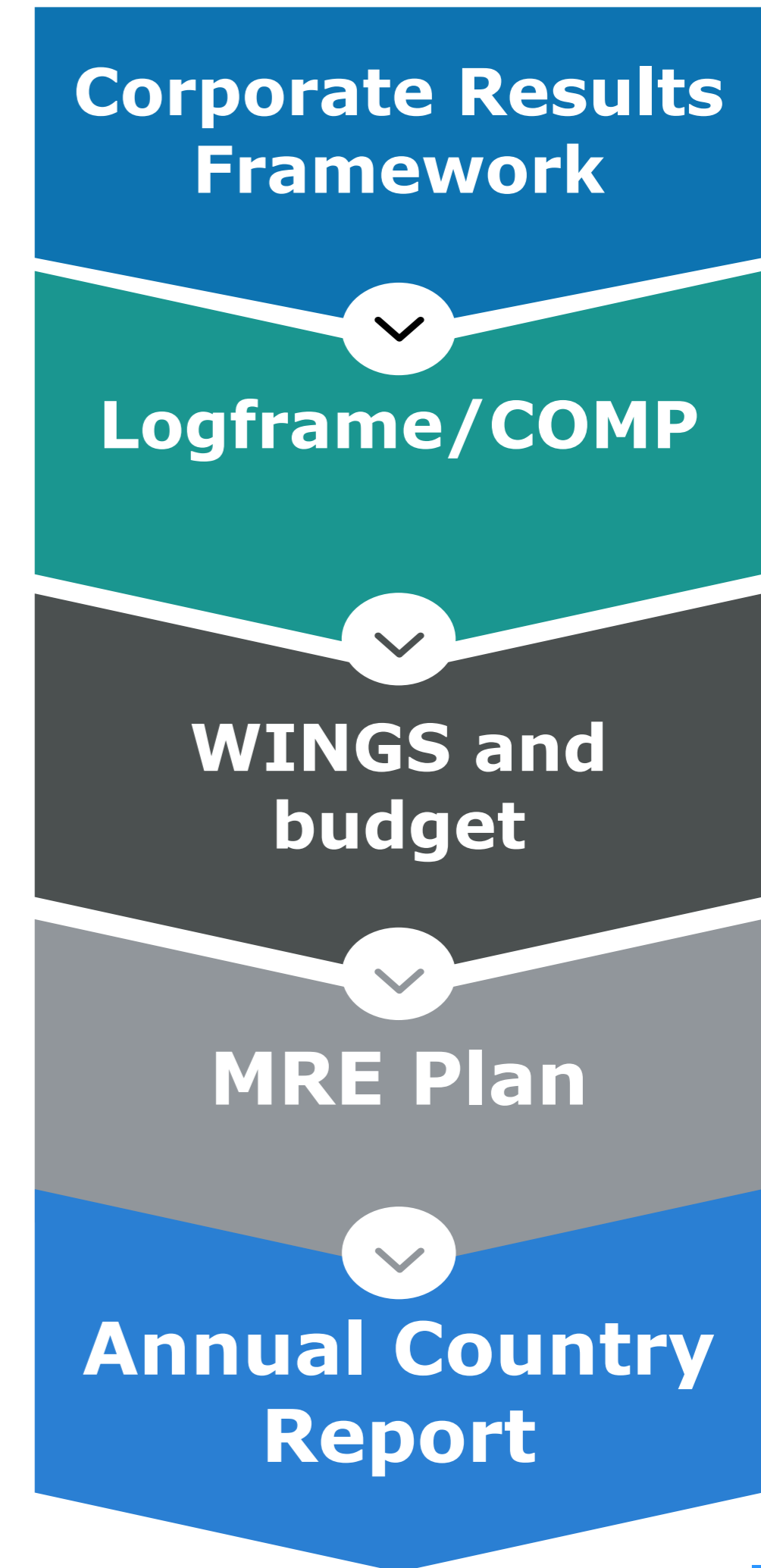
USD 14.3 m

Activity 2

Provide unconditional cash and/or food transfers and livelihoods support for refugees in camps

Unconditional resources transfers to support access to food

USD 2.3 m



Strengthening Monitoring Systems



Normative Guidance and Strategy

Monitoring Strategy, Indicator Compendium, Corporate Monitoring Guidance and Toolkits



Capacity Strengthening and Support

Online and face to face training, Monitoring Learning Channel, Logframes support



Technical Consultations and research

Pilot and testing of methodologies in the field and lessons learned exercises



Information Management systems

COMET (Country office Tools for Managing Operation Effectively)

Performance Reports for 2017



The **Standard Project Report** details the results achieved by WFP at project level. It will be substituted by the ACR once the IRM transition is complete.



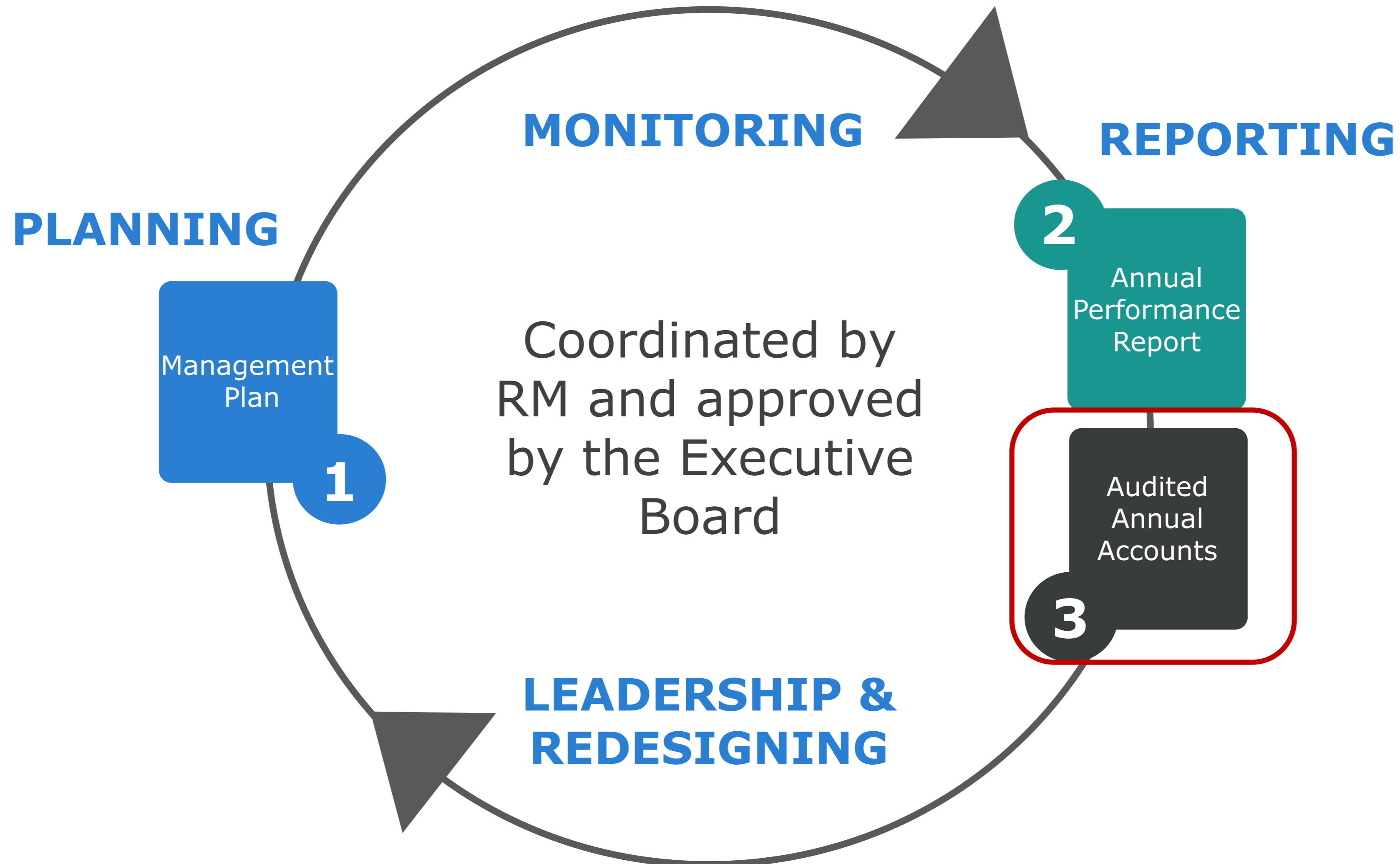
The **Annual Country Report** demonstrates the performance of CSP countries over the year using the new line of sight and country portfolio budget structure



The **Annual Performance Report** details overall WFP's performance against the Strategic Plan and the Management Plan, basing on the Corporate Results Framework and linking resources to results.

CONNECTING RESOURCES TO RESULTS

The 3 Key RM-related EB Documents



Annual Financial Statements Highlights

Preliminary figures for 2017 (RMF)

| | 2017 Forecast | 2016 | 2015 (restated) | 2014 | 2013 | 2012 |
|---|------------------|--------------|--------------------|--------------|--------------|--------------|
| Contribution revenue (monetary and in-kind) | 5,963 | 5,771.1 | 4,662.2 | 5,410 | 4,401 | 3,830 |
| Other (Other Revenue, Currency and Return on Investment) | 368 | 138 | 103 | 69 | 156 | 167 |
| Total Revenue | 6,331 | 5,909 | 4,765 | 5,479 | 4,557 | 3,997 |
| Expenses | 5,955 | 5,367 | 4,816 | 5,215 | 4,515 | 4,396 |
| Surplus (Deficit) | 376 | 541 | (51) | 264 | 42 | (399) |
| Total Deferred Revenue (Liability) | 1,928 | 986 | 239 | NA | NA | NA |



3

SAFEGUARDING OUR RESOURCES

Enterprise Risk Management
Financial Risk and Cash Management
Asset Management

SAFEGUARDING OUR RESOURCES



**Enterprise Risk
Management
& Internal Controls**

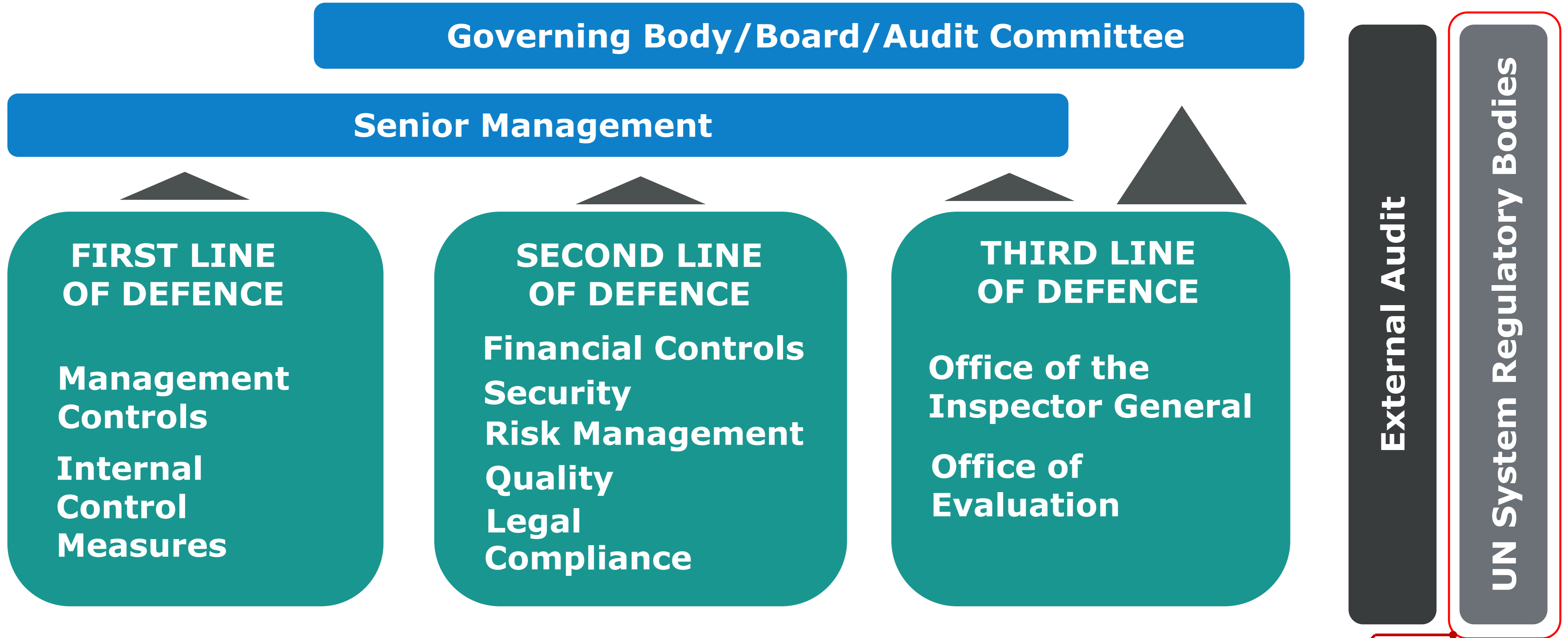


**Financial Risk
Management
& Cash Management**



**Global Asset
Management**

WFP's Three Lines of Defence Model



Adapted from 'Leveraging COSO Across the Three Lines of Defense', Institute of Internal Auditors, July 2015

Joint Inspection Unit

Enterprise Risk Management Division (RMR)



Proactive CBT Risk Management & Oversight



CBT Risk & Internal Control Review

A Global Review with the objective of performing a an in-depth assessment of financial CBT risks, controls and risk mitigation actions. To identify existing, as well as emerging potential issues and threats faced by various WFP operations.

- A global report on financial CBT risks and risk management
- Specific country reports for priority countries
- 'Lesson Learned' document
- Increase awareness of CBT delivery constraints & minimize financial risk
- Provide information for establishing a risk tolerance level for CBT activities



Compliance, Oversight & Capacity Building

Joint oversight missions with RBs to promote accountability, compliance & appropriate risk mitigating actions while building capacity and sharing knowledge.

- Review and test operating environment for CBT implementation, including CO adherence to the CBT BPM and application of relevant internal controls
- Review existing contractual agreements with FSPs/CPs and sample transactions in WINGS, FSP distribution reports and online secure platform and SOPs

Asset Management



WFP owns 300,000 assets acquired at value of USD 632 million



Vehicles represent 35% of total asset value



Project to auction obsolete assets and generate savings

Fleet and Asset Centre in Dubai and the Global Asset Service Team (GAS) supports CO through professional asset management

2018 Global roll-out of GEMS Mobile & Physical Inventory Module in joint effort with RMTD

Treading lightly on the earth

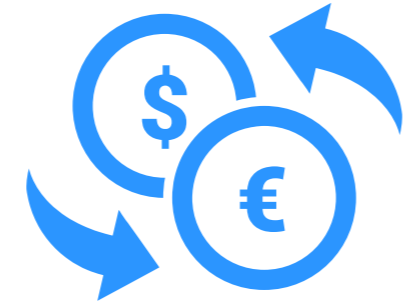
A sound environmental policy and systems that consistently manage environmental risks and improve environmental outcomes will better equip WFP to help achieve the SDGs and end hunger

Cost Efficiency Lens



13.2 M

Savings on food procured through GCMF during first semester of 2017



9.5 M

Savings on CO FX transactions performed by HQ in 2016



9 M

In savings planned through the Global Fleet Service Center



1.3 B

In internal lending to country offices against forecasted contributions in 2017





KEY EXECUTIVE BOARD DATES

| | |
|-----------------------|---|
| 17 January | Resource Management Seminar |
| 07 February | <ul style="list-style-type: none"> • 1st Quarterly Briefing on Oversight • IC on the update of IRM |
| 26-28 February | First Regular Session of the Executive Board |
| March | (TBC) IC on Updated Oversight Framework |
| 07 March | IC on the update of IRM |
| 11 April | 2 nd Quarterly Briefing on Oversight |
| 03 May | <ul style="list-style-type: none"> • IC on the update of IRM • Briefing on the uses and mechanisms of the SRAC • Briefing on the Wellness Strategy |
| 09 May | <ul style="list-style-type: none"> • Briefing on the Management Plan (2019-2021) • Resource Management Seminar on EB.A/2018 items |
| 18-22 June | Annual Session of the Executive Board |
| 06 July | 1 st IC on the Management Plan (2019-2021) |
| 13 July | IC on the update of IRM |
| 20 July | 3 rd Quarterly Briefing on Oversight |
| 24 July | 1 st IC on Enterprise Risk Management Policy |
| 06 September | <ul style="list-style-type: none"> • IC on the update of IRM • 2nd IC on the Management Plan (2019-2021) |
| 07 September | <ul style="list-style-type: none"> • 2nd IC on Enterprise Risk Management Policy • IC on the Revised Corporate Results Framework (2017-2021) |
| 09 October | 4 th Quarterly Briefing on Oversight |
| 26-30 November | Second Regular Session of the Executive Board |

Annual Session (18-22 June)

- Annual Performance Report (APR) for 2017
- Audited Annual Accounts, 2017
- Report on the Utilization of WFP’s Advance Financing Mechanisms
- Update to Oversight Framework
- Utilization of PSAEA reserves

Second Regular Session (26-30 November)

- WFP Management Plan (2019-2021)
- Revised Corporate Results Framework (CRF)
- Enterprise Risk Management Policy and Risk Appetite Statement



THANK YOU