



World Food Programme



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# Update on Performance Management (CRF & Reports)

## Informal Consultation on the IRM

16 March 2018

# Corporate Results Framework Recap

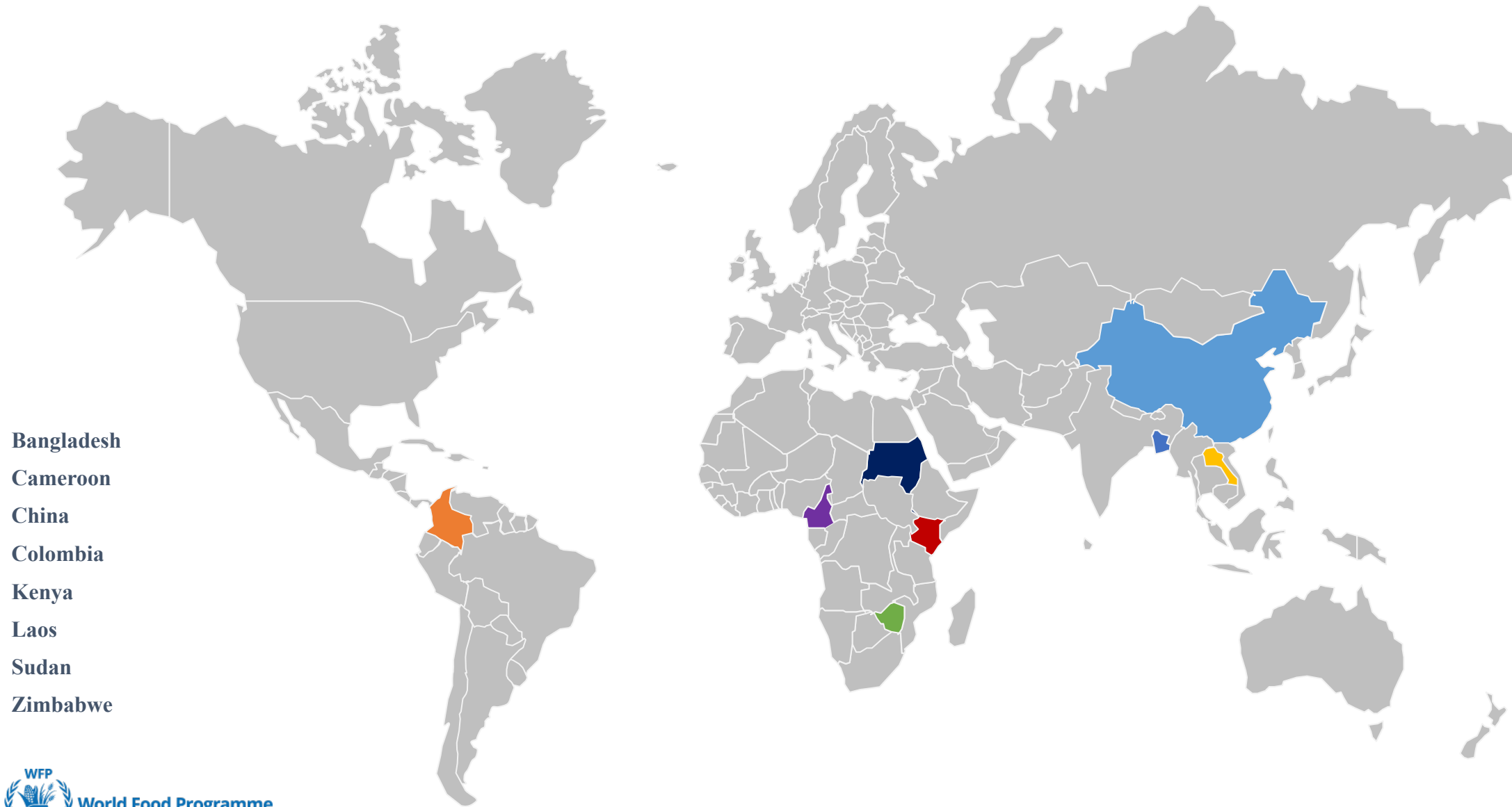


 Indicators with **robust methodologies** are carried over from previous results frameworks

SR 1	90% of WFP's operations and are well catered for in the CRF	SR 5	Indicators and methodologies which need strengthening
SR 2			
SR 3			
SR 4			

**New** set of indicators (SDG derived)

# Country Consultations and testing



- Bangladesh
- Colombia
- China
- Kenya
- Laos
- Sudan
- Zimbabwe

# Continuing work on the current CRF



Including missing methodologies (now available for 90% of CRF indicators): latest update of the [Indicator Compendium](#) was posted in February



Continue work to on the [Guide to inclusion of persons with disabilities](#).

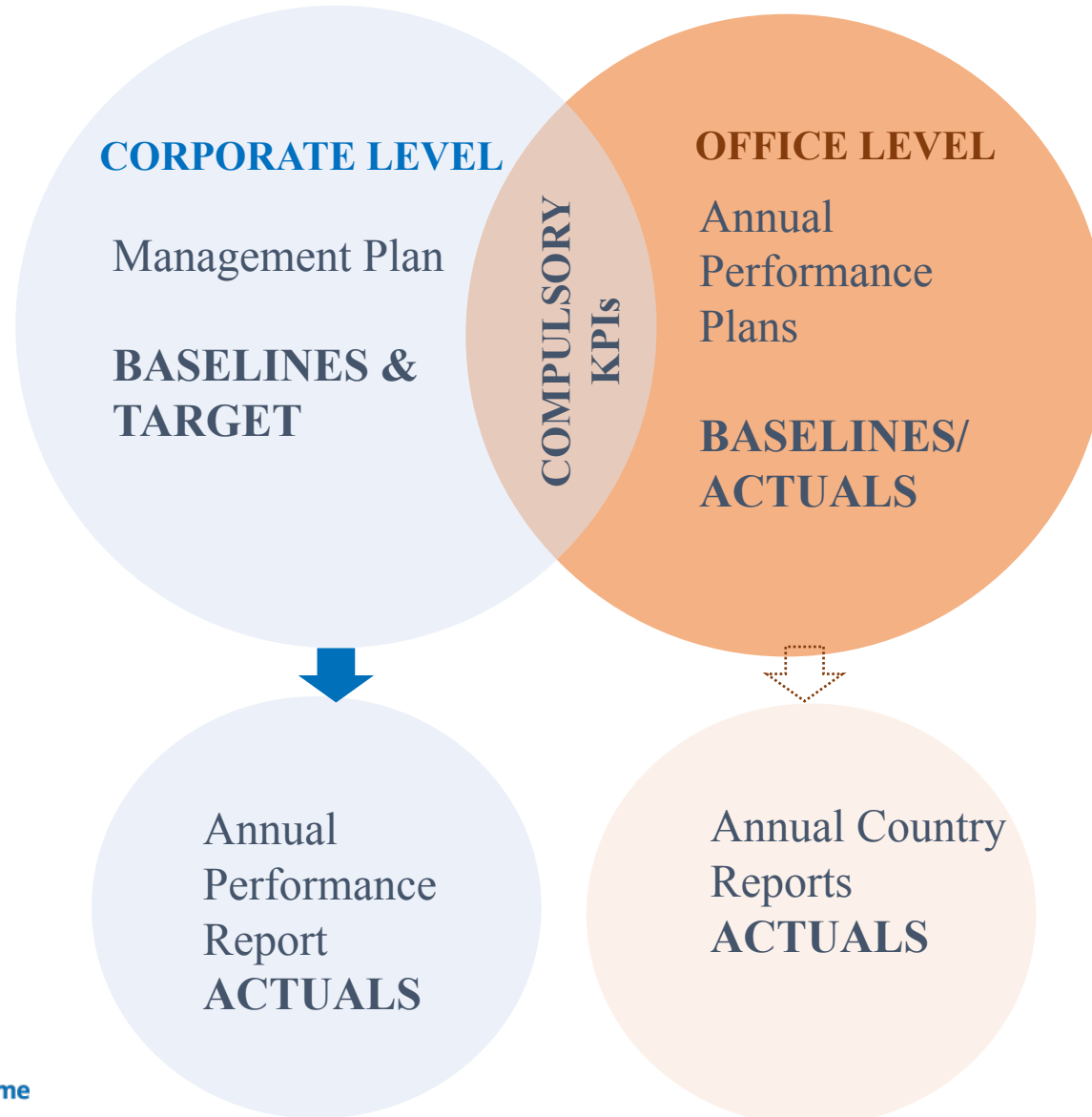
Monitoring tools already include disability (questionnaires and methodologies)



# Update on Management Performance Indicators

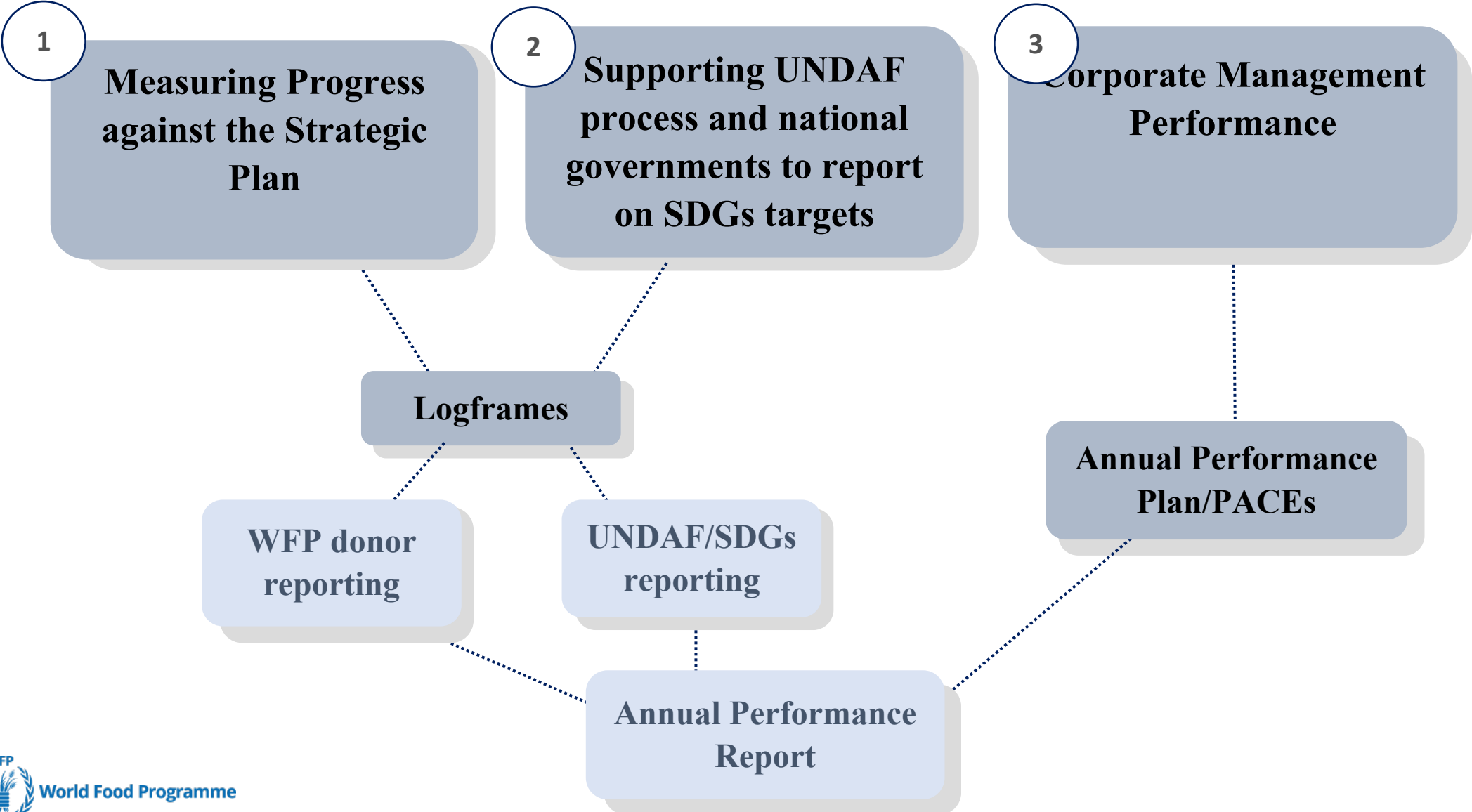


KEY PERFORMANCE INDICATORS (KPIs)

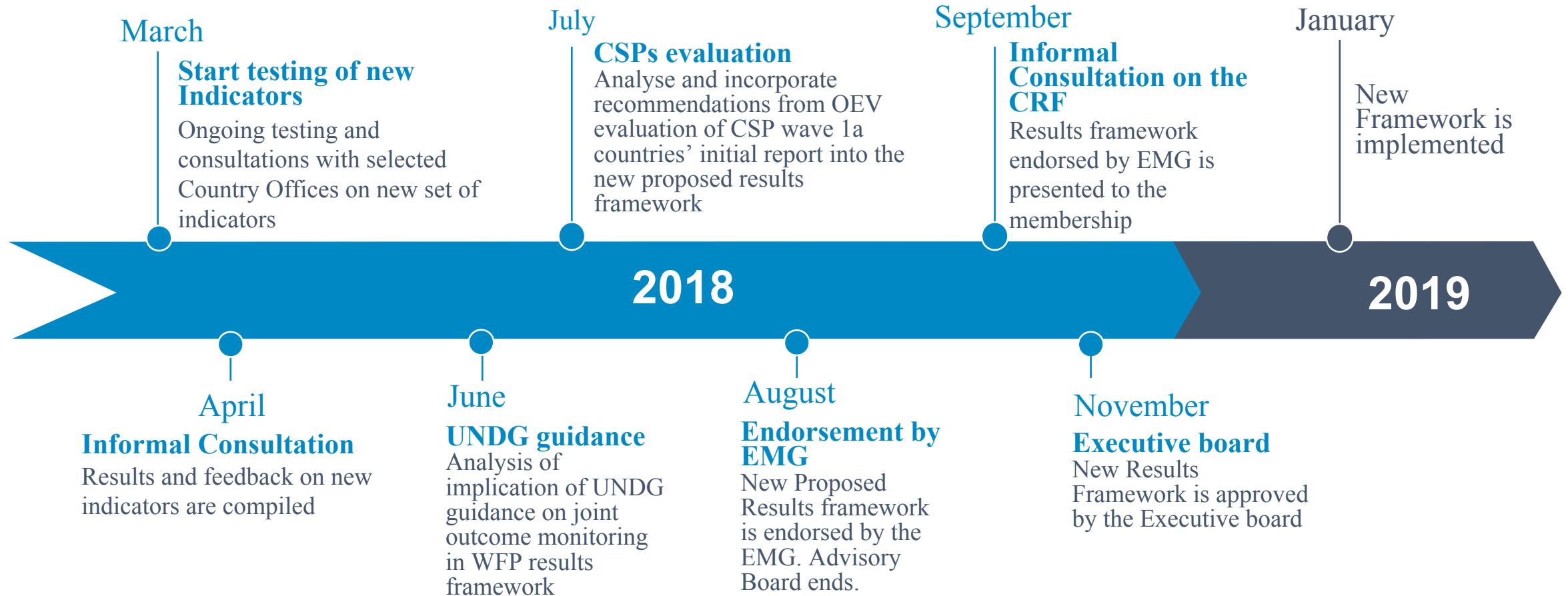


All the Key Performance indicators are available in the **online indicator compendium** accessible to all staff

# Three pillars of the revised results framework



# Timeline



# Coming soon: Annual Country Reports

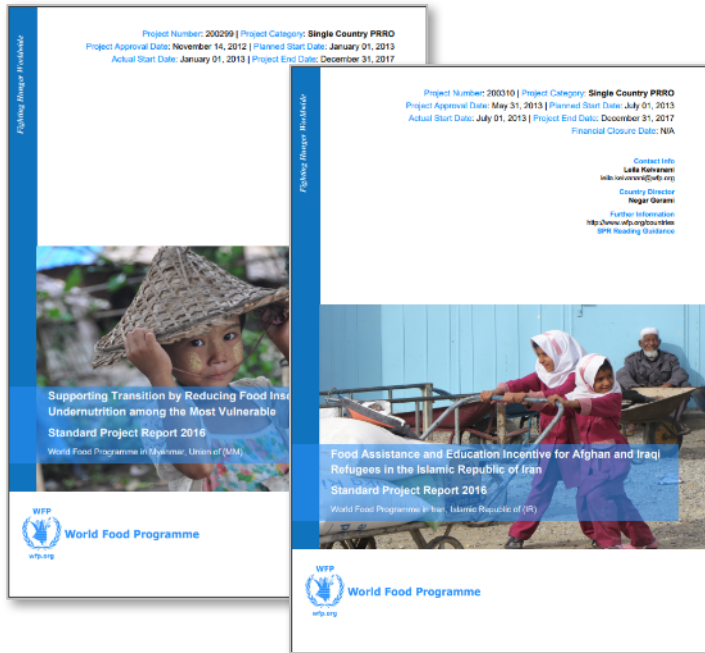
**Released on: 31 March 2018**

- One report per country covering the whole portfolio line of sight
- Focus on demonstrating the link between resources and results and Value for Money
- Focus on partnerships and capacity strengthening
- Transition from project to CSP implementation



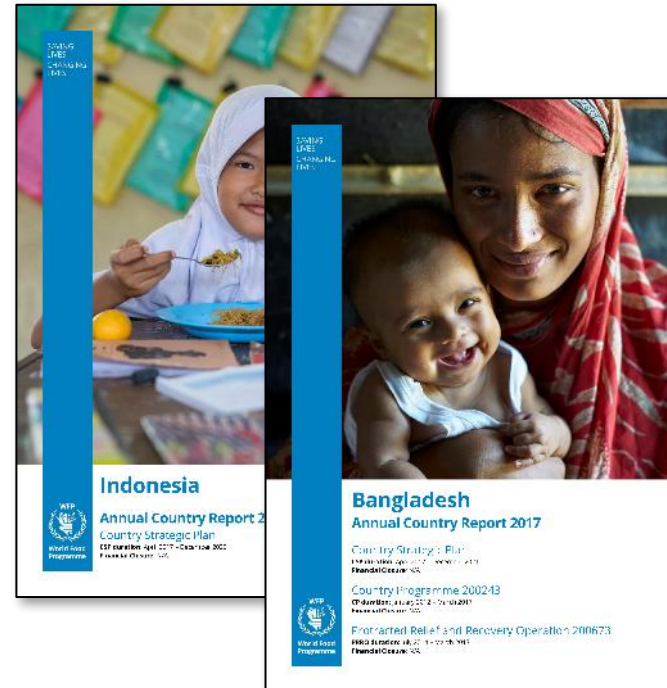


# Reporting with the Corporate Results Framework



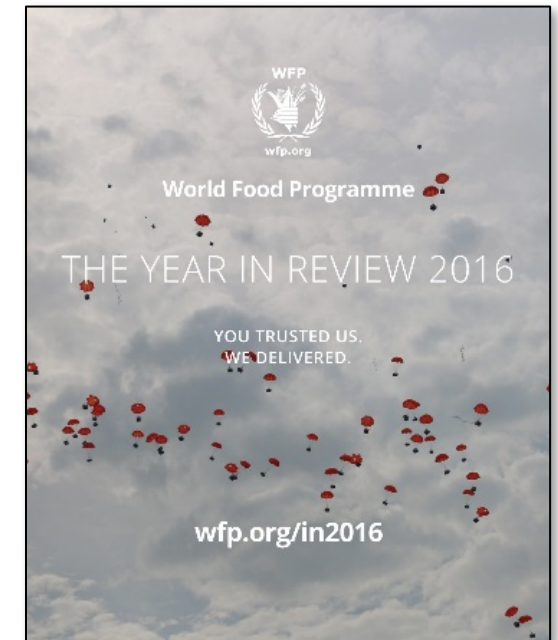
**Standard Project Report**

27 Reports out of 163



**Annual Country Reports**

12 Countries



**Annual Performance Report**





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# Update on the Integrated Road Map

Informal Consultation

16 March 2018



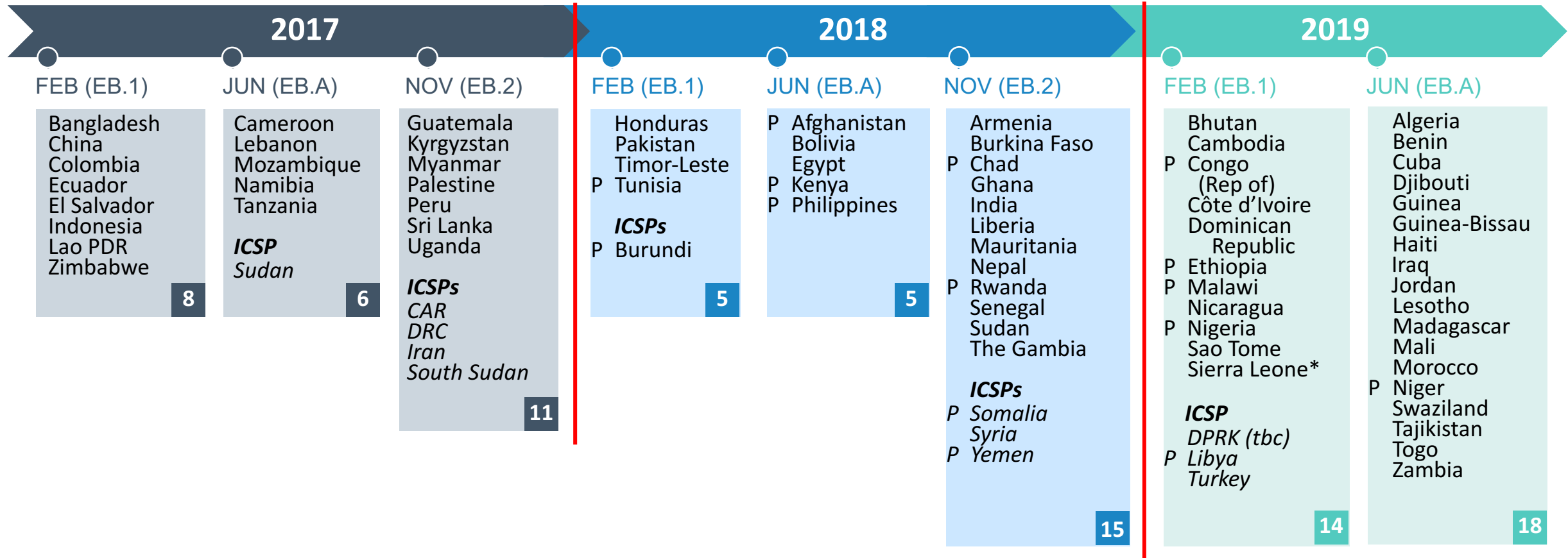
# Agenda

- 1. Update on implementation**
- 2. Lessons learned to date**
- 3. Other lessons learned: Impact of earmarking and steps towards more outcome-based funding**
- 4. Proposed consultation process for CSPs and ICSPs in 2018 and 2019**
- 5. Proposed recommendations for full-cost recovery**



# Integrated Road Map: Indicative Timeline for Approval 2017– 2019

*CSPs and ICSPs (as of 23 February 2018)*



## Legend:

P Proposed to continue with projects from 1 January 2018; these country offices will work towards moving to the IRM framework by no later than January 2019

X Number of countries

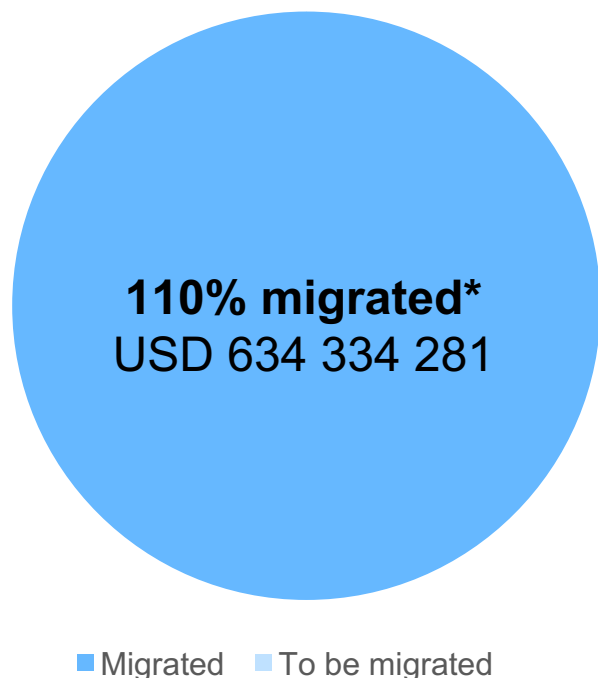
\* Schedule under review (to be confirmed).



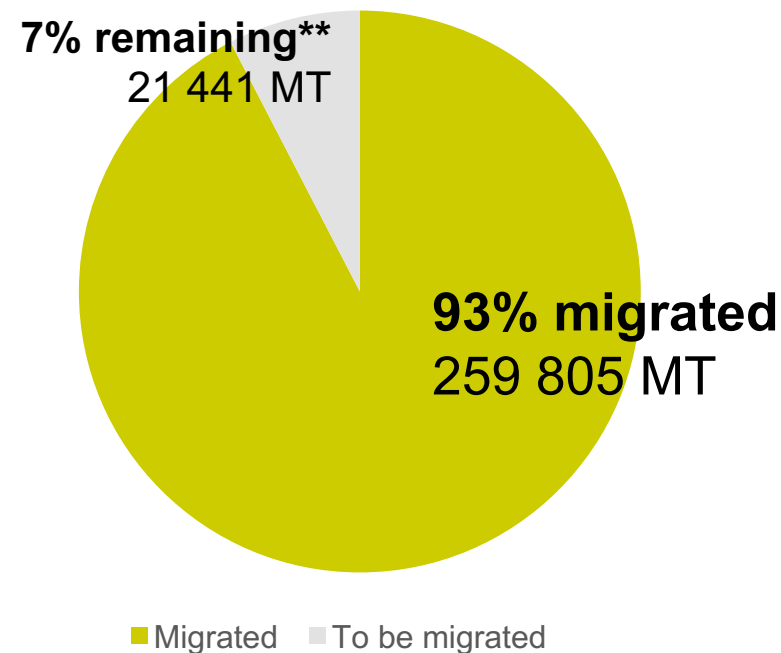
# Resource migration and cutover: Update on Wave 2

53 countries which commenced a CSP, ICSP or T-ICSP in January 2018

## Grant balances



## Stock Balances



Target for 15 January: 50% of USD value migrated  
96% of the countries reached the target

Target for 31 January: 80% of MT migrated  
82% of the countries reached the target

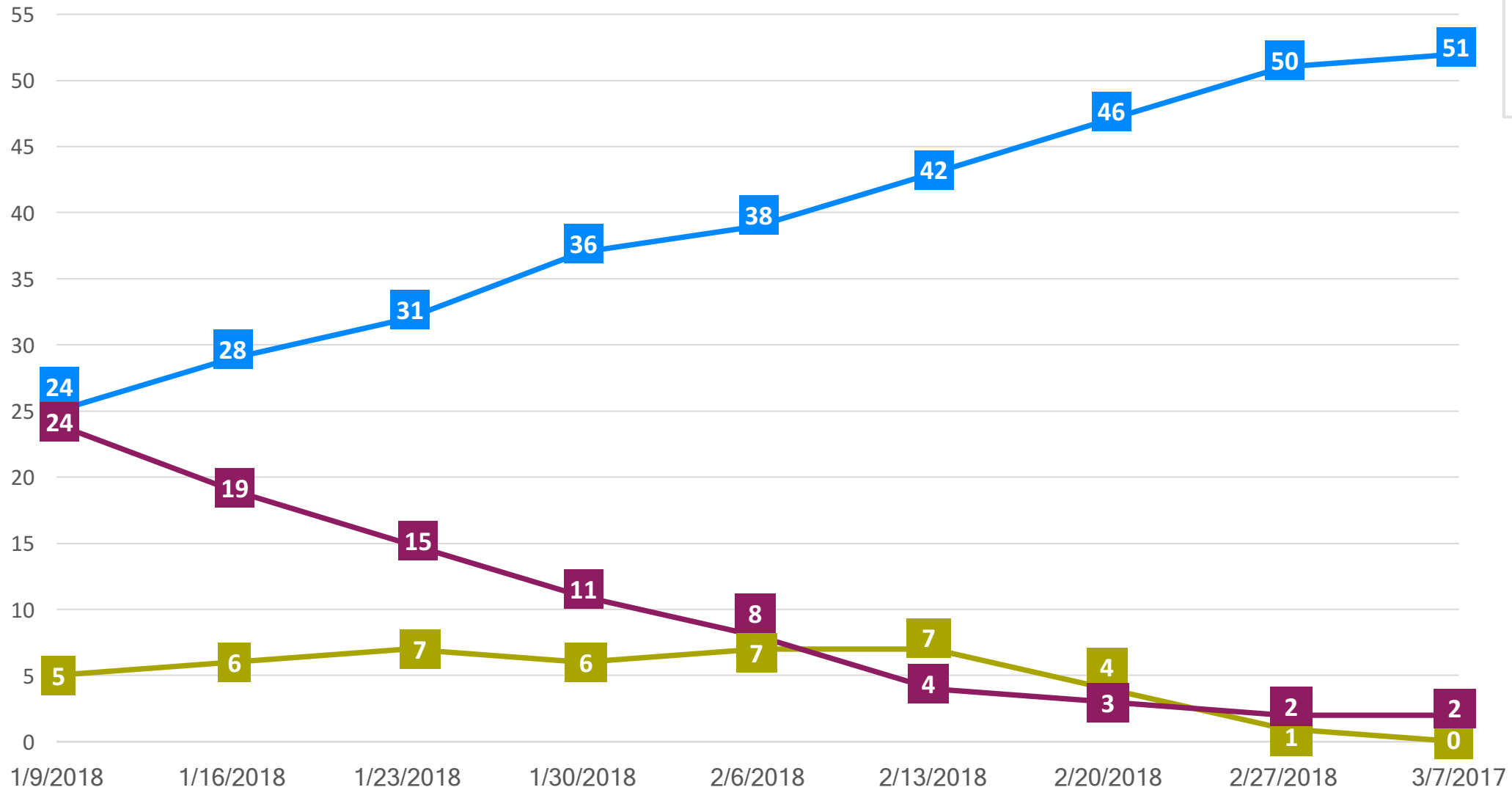
\* Estimated total to be migrated: USD 571 983 064

\*\* Commodities not yet transferred are in transit.

# Country Office transactional activity under the CPB (overall weekly trend)

Updated version  
(16 March 2018)

Number of Country Offices - weekly status

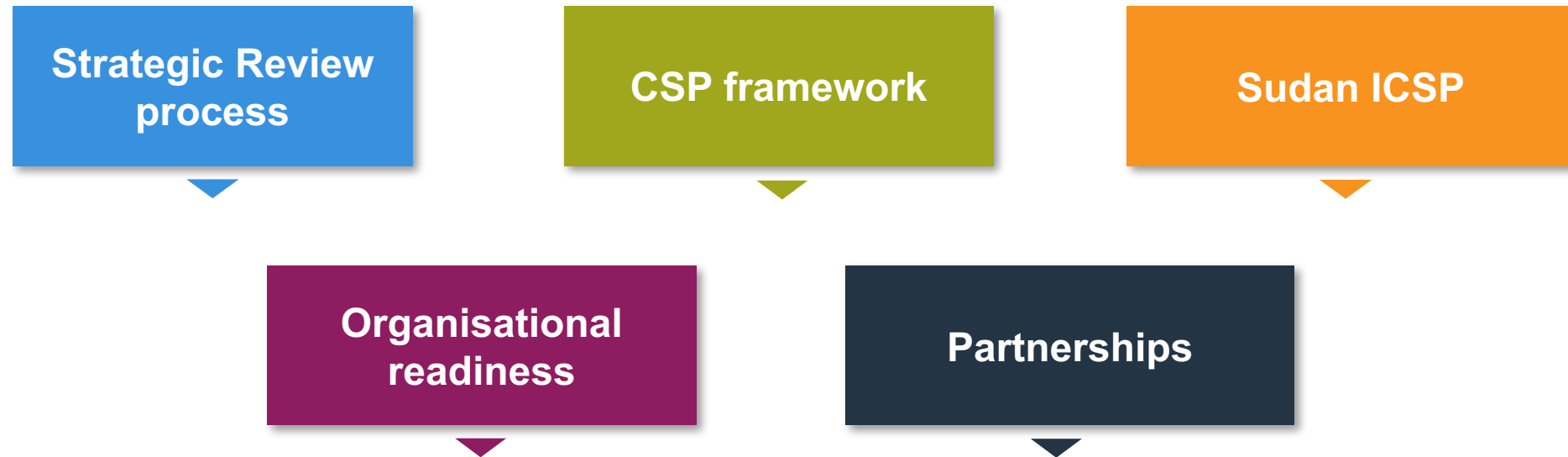


*in progress*  
*no variation*  
*not started*

# Lessons learned to date

Lessons learned and best practices are continually being gathered from country experiences. The examination and analysis of successes and challenges are especially crucial to inform the refinement of the IRM framework while ensuring WFP remains focused and efficient in its support for country-led efforts of ending hunger.

New lessons learned have been identified in the following areas:



# Lessons learned to date (I/III)

New lessons learned since the EB.2/2017 paper marked in red.

## Strategic Review process

- **65 countries have initiated zero hunger strategic reviews.**
- **Involvement of United Nations (UN) country teams, particularly the Rome-based Agencies (RBAs), during initial discussions with the governments is critical. It has allowed joint facilitation of the review process and/or contributions – technical or financial – to the review.**
- **Several resulting CSPs include strong collaboration between RBAs and other UN agencies, including through joint programmes.**

## CSP framework

- Foundation for **more effective and longer-term partnerships** with governments.
- The extended planning duration and line of sight continue to bring **greater coherence and vision to programme design.**
- The **Bangladesh experience** demonstrated that:
  - The presence of an **existing activity for crisis response** under an approved CSP enabled the country office to immediately initiate an emergency response.
  - Notwithstanding this, lessons learned and **consequent recommendations relating to internal guidance, processes and systems** employed under the IRM framework to respond to the emergency are expected to facilitate and better inform WFP's emergency response in the future.
- Country experience confirms that the programmatic coherence of CSPs is contributing to **enhanced partnerships, new funding opportunities and improving stakeholder perceptions and WFP's positioning** at the country level.

# Lessons learned to date (II/III)

## Sudan ICSP

### Implementation challenges identified by the Sudan Country Office:

- I. **Added complexity of the budgetary structure** resulting in increased transactions involving multiple function and an increased workload;
- II. **Limitations on flexibility** resulting from transparency afforded by the budget structure, leading to increased levels of earmarking and a need for increased management of donor restrictions within activities;
- III. **Increased centralization of fund allocations** which led to operational delays;
- IV. **Impact of the current and revised CRF** on performance measurement; and
- V. **Staffing, capacity, and reassignment** issues.

New lessons learned since the EB.2/2017 paper marked in red.

### Corporate solutions and way forward:

- I. **Additional tools and guidance**
- II. **Donor engagement strategy** to foster reduced earmarking and move towards more outcome-based funding over time
- III. **Internal refinements to the cost structure** and management of costs
- IV. **Progress on enhancing the CRF**
- V. **Simplification of internal budget review processes**
- VI. **Review of the authorities for budget revisions** (planned for 2019).



# Lessons learned to date (III/III)

New lessons learned since the EB.2/2017 paper marked in red.

## Organisational readiness

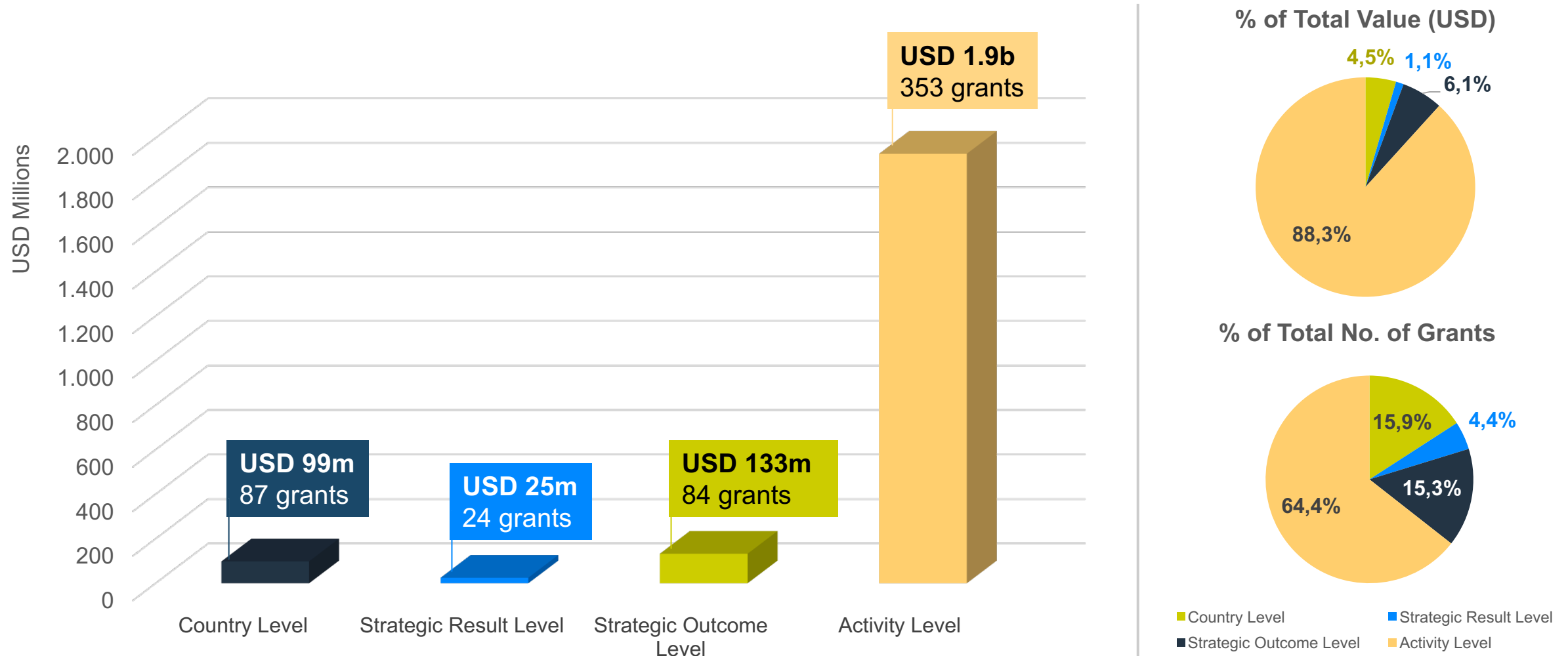
- **The IRM organisational readiness toolkit for country offices** – rolled out in March 2017 – has been updated based on lessons learned from pilot countries. It includes **revised guidance and additions** such as advice on individual performance management and emerging high-level organizational structures.
- **Expanded guidelines** on structure and staffing reviews and analyses of thematic learning needs of country offices are being developed.
- An **additional 40 human resources officers** were trained, bringing the total number of officers trained globally to 80.
- **Organisational readiness support missions** have continued to target prioritized country offices and are increasingly led by RBs.
- **Learning and development support** continues through a dedicated IRM “learning channel”, IRM functional learning paths, online self-learning material, and training of trainer programmes to build capacity in line with the “cascade training” approach.

## Partnerships

- **Guidance materials, tools and templates have been revised** to further embed and reinforce WFP’s corporate partnership principles throughout the CSP development and implementation process and CSPs submitted to the Board for approval.
- The IRM framework creates an opportunity to forge and nurture **long-term and multi-stakeholder partnerships**.
- IRM instrument and processes **effective and strategic engagement with a full range of partners** – resource, policy, knowledge, governance, advocacy and capability – in order to achieve collective outcomes at the country level.
- **E-learning materials on partnerships** are being developed and will be made available to all staff in 2018. It focuses on enhancing essential partnerships skills and emphasizes new ways of identifying, engaging and aligning with partners.
- **Regional workshops and in-depth training** on focused and strategic partnerships have also been provided to country office management.

# Other lessons learned: Impact of earmarking: Contributions received to date

By 12 March 2018, **548 grants totalling 2.2 billion** have been confirmed to 65 countries, **88 percent** of which were directed to the activity level.

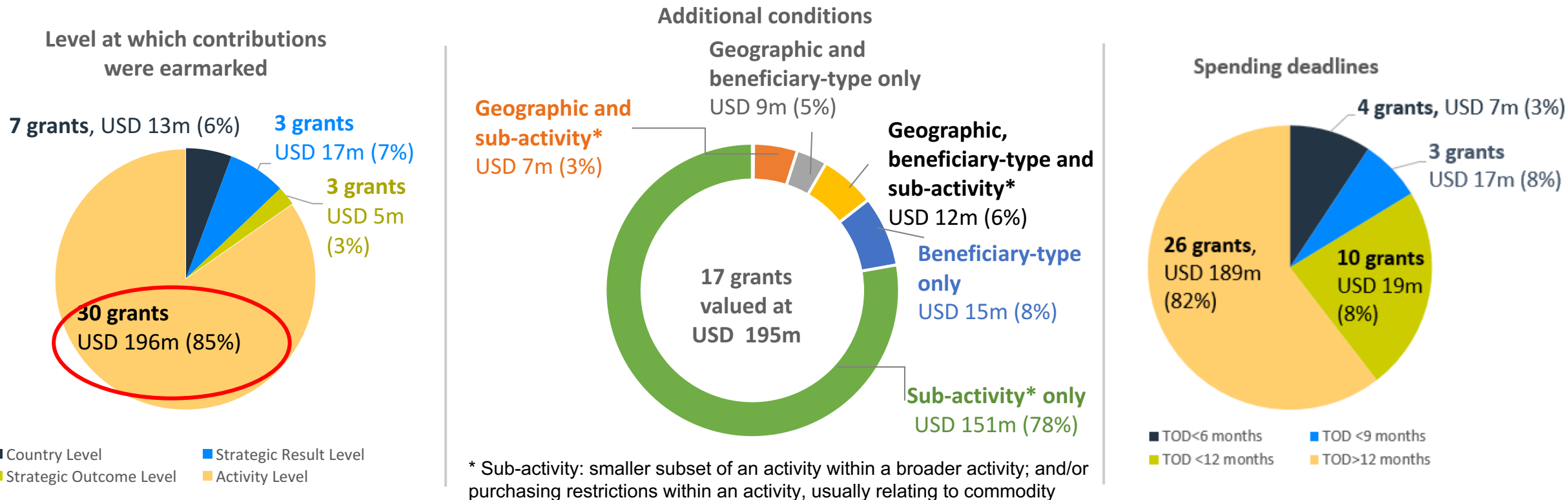


# Impact of earmarking: Additional restrictions

Earmarking is compounded by additional conditions attached to grants that restrict their use to specific **geographic locations, beneficiary groups, sub-activities, including modality**. In addition, **tight spending deadlines** impose further restrictions on flexibility.

To this end, WFP is **examining the impact that such conditions** could have on its ability to deliver assistance effectively, maximize effectiveness and manage expenditures.

**Sudan example:** Out of 43 grants valued at USD 231 million received from 14 donors for the ICSP:



# Efforts to encourage more flexible funding



**Collective engagement with partners** to find ways to reduce contribution restrictions and move towards more outcome-based funding



**Demonstrating links between resources and results and value for money** to encourage maximum flexibility in contributions

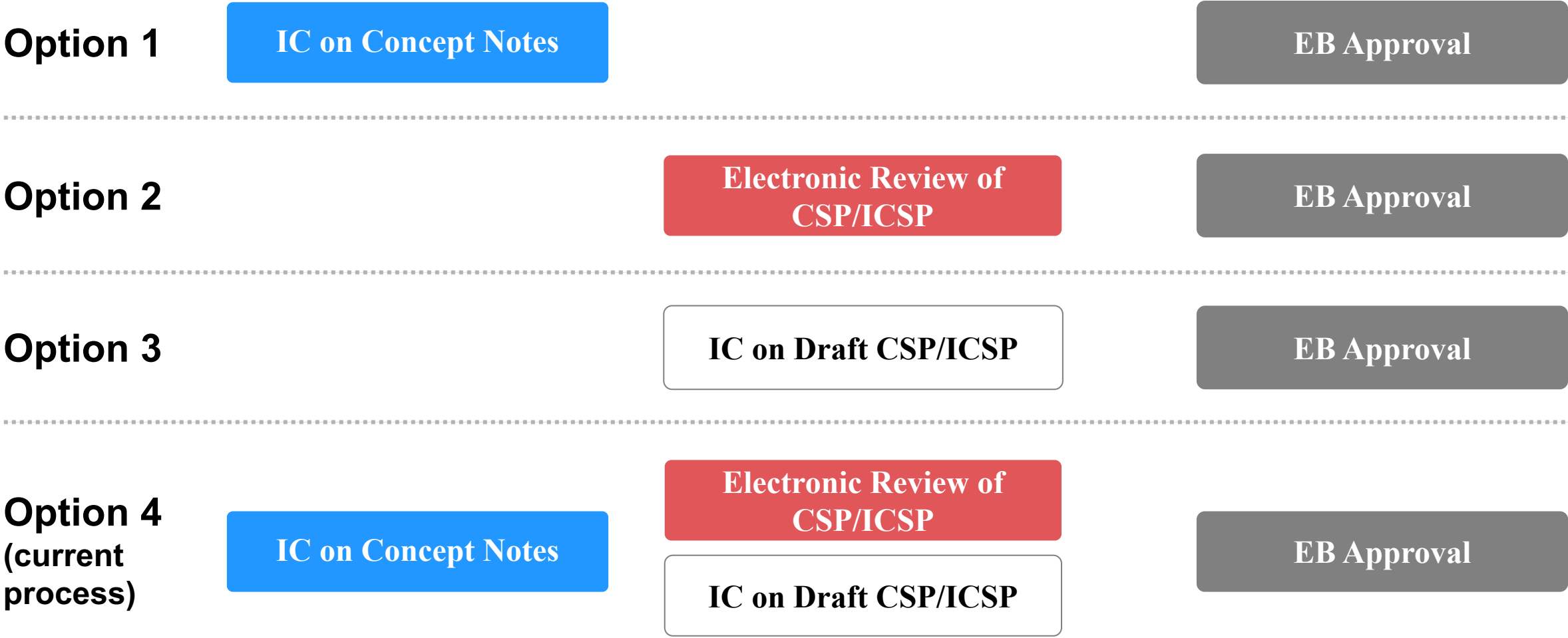


**Strategic financing dialogues with donors** to advocate for more multilateral funding



**Leveraging opportunities presented by the longer duration of the CSP framework** to secure more multi-year contributions

# CSP/ICSP review process: Options presented at the 7 February informal consultation





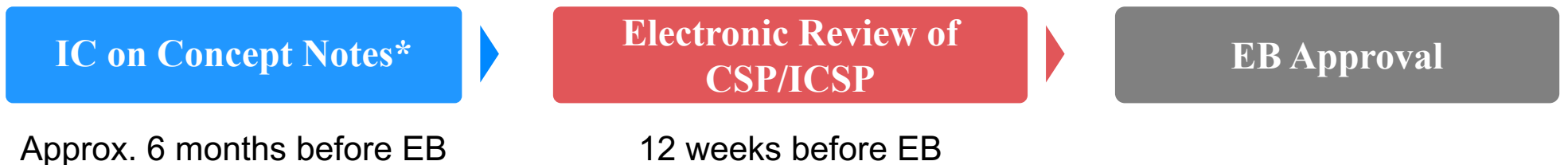
# Proposal for the CSP/ICSP review process

Based on feedback received to date, WFP proposes the following two-step process prior to Board approval of CSPs and ICSPs:

- a) **Informal consultation on concept notes** (approximately 6 months before the EB); and
- b) **Electronic review of CSPs and ICSPs** (12 weeks before the EB; Member States have 20 days to provide technical comments).

**Propose to apply this process until the end of 2019, after which it could be reviewed along with the permanent delegations of authority at the 2020 first regular session.**

**Proposed  
'Option 5':**



# Application of full-cost recovery in the IRM framework

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## **2016 Second Regular Session of the Executive Board** [WFP/EB.2/2016/15/, decision 2016/EB.2/7 para v.]

- Executive Board approved principles to guide the application of Full Cost Recovery
- Approved derogations from provisions of General Rule XIII.4 and Financial Regulations 1.1 and 4.5 relating to cost categories and full cost recovery

## **2017 Annual Session of the Executive Board** [WFP/EB.A/2017/5-A/1, decision 2017/EB.A/para v.]

- Executive Board decision that amendments to the General Rules and Financial Regulations relating to full cost recovery would be considered at the 2018 Second Regular Session.

## **2017 Second Regular Session of the Executive Board** [WFP/EB.2/2017/4-A/1, decision 2017/EB.2/para iv, v]

- Executive Board decision to approve the continued application of existing General Rules and Financial Regulations to country offices implementing the current project-based system and for countries operating under the CSP framework
- The temporary application of provisions of the General Rules and Financial Regulations referring to existing programme categories as if such references were to the CSP framework; and
- Derogations from provisions of General Rule XIII.4 and Financial Regulations 1.1 and 4.5 relating to cost categories and full cost recovery

# Proposed recommendations for full-cost recovery

An internal inter-divisional working group was formed in mid-2017 to develop recommendations for the changes required in the General Rules and Financial Regulations in order to update them to reflect the IRM.

While work is ongoing, issues under review include:

1. Handling of Adjusted DSC for mandated common services
  2. ISC exemptions
  3. Twinning
- 
4. Trust Funds
  5. ISC flexibility
  6. Contributions vs. revenue (on-demand service provision)

# The following represents some initial recommendations stemming from the review

Current provision	Recommendation	
<p>Following the WFP’s Executive Board approval of the Integrated Road Map in November 2016, WFP has introduced a number of significant changes in WFP’s financial architecture, including the introduction of a new budget structure with four high-level cost categories – transfer, implementation, adjusted direct support and indirect support costs.</p>	<p>Update WFP’s General Rules and Financial Regulations to reflect the IRM Framework</p>	<p>Primarily General Rule XIII.4</p>
<p>The EB approved ‘Update on the Integrated Road Map’ provided for some flexibility in the application of adjusted DSC for mandated services.</p>	<p>Maintain possibility for flexibility of Adjusted DSC rates for Mandated Common Services</p>	<p>General Rule XIII.4(a)</p>

# The following represents some initial recommendations stemming from the review

Current provision	Recommendation	
ISC exemptions provided for the IRA, PSA and PSA-like contributions are for cash only (General Rule XIII.4(e))	Maintain the existing provision for ISC exemptions (linked to <u>cash</u> contributions to the IRA and PSA), and expand to also include <u>in-kind</u> contributions to the PSA (such as consulting services or free advertising)	General Rule XIII.4(e)
ISC waivers provided for in-kind direct support cost (DSC) (General Rule XIII.4 (g))	Maintain existing ISC Waiver for in-kind contributions to DSC – though update the language to cover such contributions received against Implementation or Transfer Costs	General Rule XIII.4 (g) (ii)



# The following represents some initial recommendations stemming from the review

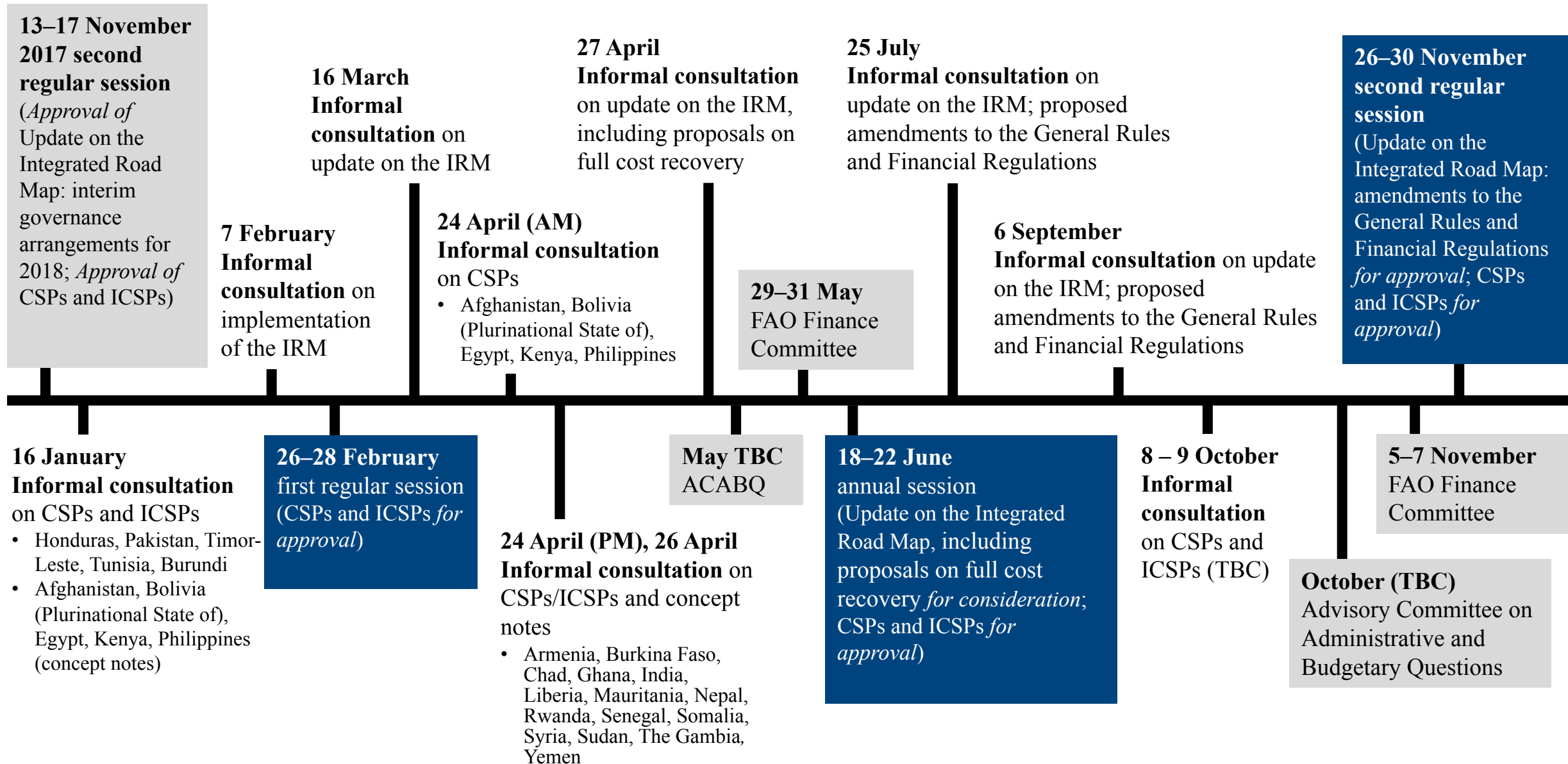
Current provision	Recommendation	
<p>Twining exceptions reserved for in-kind contributions only (General Rule XIII.4(f))</p> <ul style="list-style-type: none"><li>• Eligible countries defined as least-developed countries, low-income and lower-middle income countries as per OECD (EB approved 2004 paper “New Partnerships to Meet Rising Needs- Expanding the WFP Donor Base”)</li></ul>	<p>Maintain the existing provision for ‘Twining’ – and expand to include Cash Transfers</p>	<p>General Rule XIII.4(f)</p>

# Recommendations to follow:

- **Trust Funds**, updating General Rules and Financial Regulations for the incorporation of certain Trust Funds in the Country Portfolio Budget.
- **ISC flexibility**, including a potential lower ISC rate for host government contributions.
- **Contributions vs. revenue** (on-demand service provision).

# 2018 Informal Consultations

Updated version  
(19 March 2018)



# Discussion

