



World Food
Programme



BOTTOM UP STRATEGIC BUDGETING EXERCISE (BUSBE)

Executive Board Update

SAVING
LIVES
CHANGING
LIVES

The BUSBE was formed by the Executive Director in 2020 to address four main objectives



Ensure the use of the optimum funding source for activities



Enable a more efficient use of funding



Improve the transparency of HQ and RBx funding



Examine the PSA* support provided to country offices

The BUSBE has two phases, with phase II having started in January 2021

2020

Phase One – Foundational



Laying the groundwork for a thorough review in 2021 through focusing on baseline and other services

2021

Phase Two – Implementation



Utilise the inputs from Phase One to conduct a rigorous budgeting exercise

2022+

Realization of Benefits



Greater consistency, transparency and a more optimum use of resources will be delivered

Phase I saw recommendations made to the organization which have resulted in follow on activities for impacted divisions

Technical Budgeting



Modelling exercise conducted, findings will inform phase II of the BUSBE

Budget Governance



Principles for strengthened budget governance agreed with the Senior Management Group, Terms of Reference agreed by the Leadership Group and implementation is being undertaken by a project team led by CPP

Cost Recovery Analysis



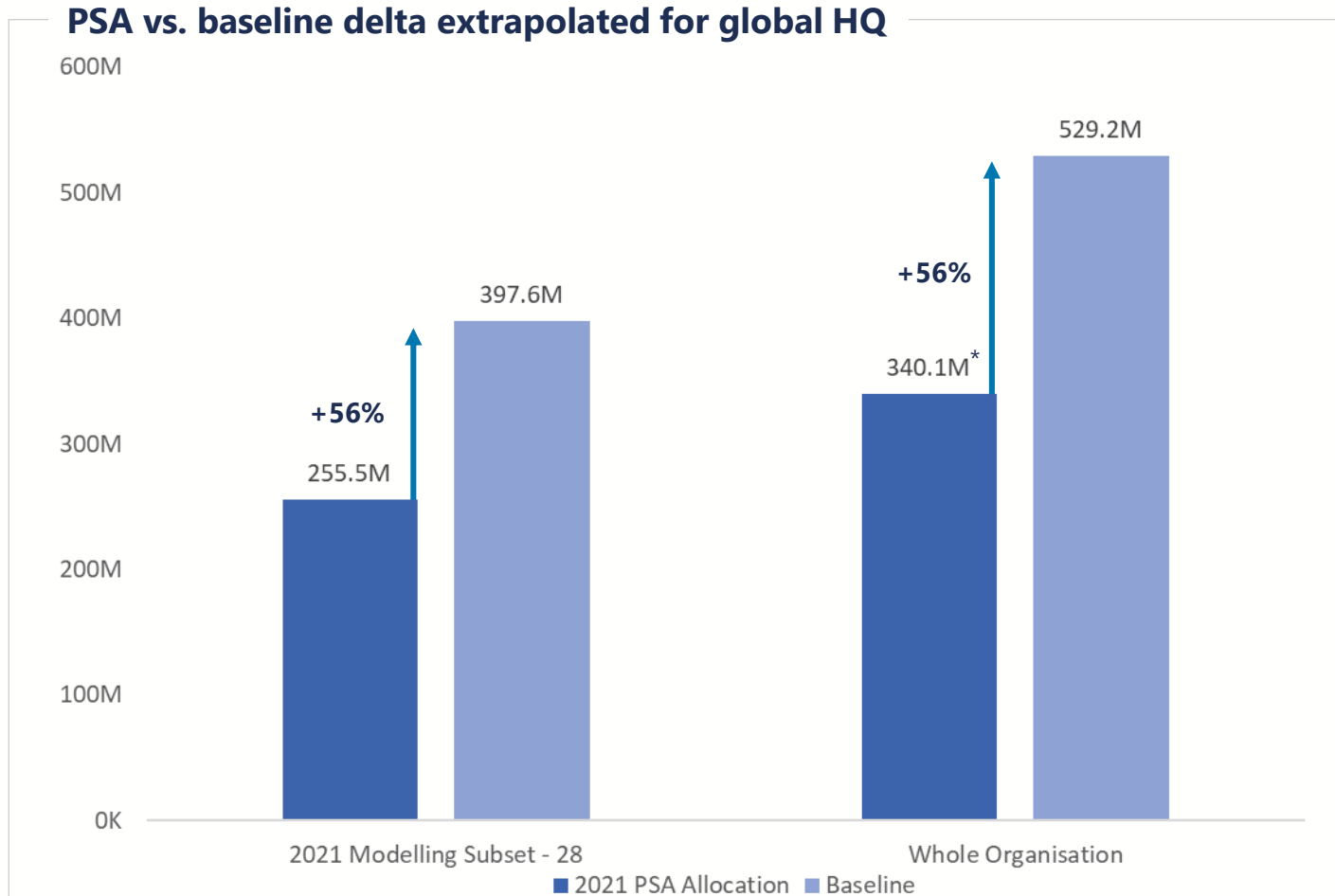
Recommendations handed to FIN who have formed a cost recovery working group

CO Budget Analysis



Recommendations handed to OMS to implement the strengthened country office model

The modelling exercise compared PSA allocation against baseline needs for 28 divisions and regional bureaux



Comparison of baseline vs. PSA

- The analysis focussed on PSA and unfunded activities and thus does not fully capture all global headquarter needs. Full needs will be articulated during the 2022 management plan exercise
- Extrapolated for the entire organization (minus the PSA allocation to COs), the shortfall would be USD 189.1m

Note: the PSA allocation to COs has been excluded

Baseline defined as the capability that needs to be funded to support the organization based on income projections and corporate priorities

Building on the foundations of phase I, phase II will see a rigorous assessment of HQ and RBx budget submissions

Phase II will...



Decisions by the Executive Director will guide phase II of BUSBE

Question

Should the organization look to change the ISC rate?

1

Retain the current ISC rate of 6.5 percent for 2022, which dictates a ceiling for the PSA Budget

Decision

How should baseline and the PSA budget interact?

2

Introduce the “PSA eligible” concept to baseline, whereby WFP ensures that baseline activities will be funded, from the PSA budget or other funding sources

WFP commits to providing updates to the Executive Board during the 2022 budget process

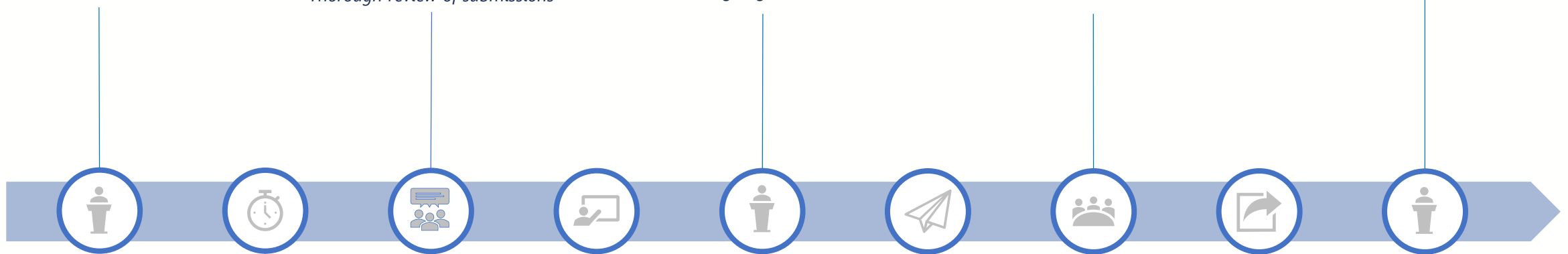
EB First Regular Session
February 22-24
 Introduce the BUSBE Phase II exercise

Quality Control and Committee Review
April – July
 Thorough review of submissions

First Informal Consultation
July 21
 Light update on budget process due to ongoing review

Second Informal Consultation
September 10
 EB members opportunity to discuss extracts

EB Second Regular Session
November 15-19
 MP submitted for approval



Launch the Budget Process
March
 Build submissions according to new budgeting model

Briefing on the MP / Informal consultations
May 19
 Ongoing updates

Extracts shared
August / September
 EB members receive first draft of MP document

Final MP Document Shared
October / November
 Share the final version of the MP

Informal consultations to be provided as required