

## ANNEX V

## Trust funds and special accounts

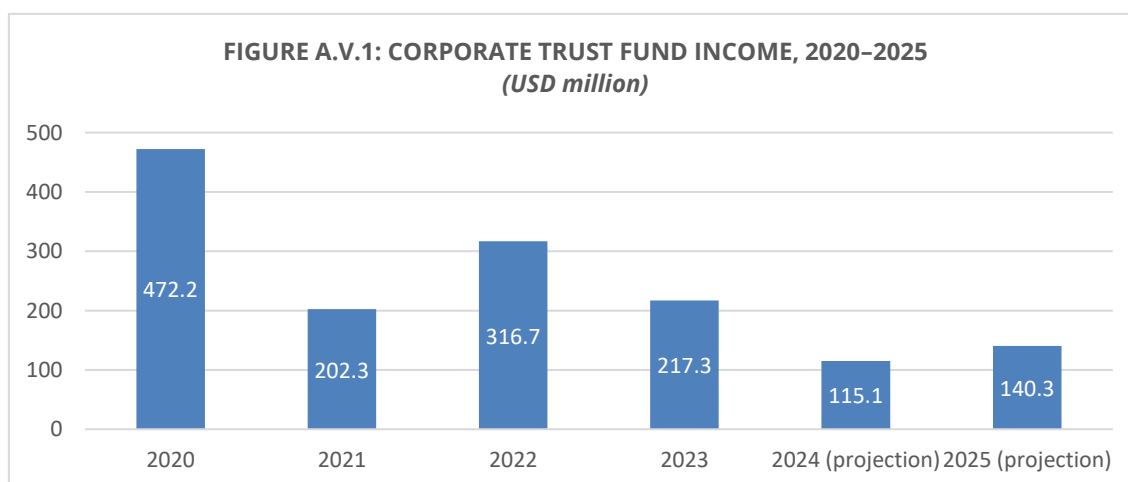
## Overview

1. This annex presents the plans for trust funds and special accounts in 2025, providing detailed information on the most significant funds and accounts.
2. All trust funds and special accounts are aligned with WFP's policies, objectives and activities and are established by the Executive Director under Financial Regulation 5.1. Trust Funds hold contributions whose purpose and scope have been agreed upon with the donors, along with procedures for reporting on their use. Special accounts are used for the financial management of services provided by WFP to its own offices and units and to other United Nations entities and humanitarian and development actors; they may be funded by contributions, payment for services rendered or cost recovery.
3. Table A.V.1 provides a summary of the balances and projected movements of funds related to trust funds, special accounts and other funding sources in 2025. The total projected expenditures are USD 601.5 million, of which USD 172.2 million comes from trust funds, USD 413.1 million from special accounts, and USD 16.2 million from other funding sources. The other funding sources include the General Fund, and in-kind contributions earmarked for specific corporate purposes, such as the rent-free use of WFP's headquarters premises.
4. In this annex, references to the 2024 budgets for trust funds, special accounts and other funding sources are based on the revised budget figures as presented in the Update to the Management Plan 2024-2026.

	<b>Trust funds</b>	<b>Special accounts and other funding sources</b>	<b>Total</b>
<b>Balance brought forward at 1 January 2025</b>	<b>109.8</b>	<b>183.8</b>	<b>293.7</b>
<b>Income</b>	<b>140.3</b>	<b>434.3</b>	<b>574.6</b>
<b>Expenditure</b>	<b>172.2</b>	<b>429.3</b>	<b>601.5</b>
Baseline	62.2	105.6	167.8
Other services	26.1	1.2	27.3
Direct	0.0	134.6	134.6
Operational	83.9	187.9	271.8
<b>Balance carried forward at 31 December 2025</b>	<b>77.9</b>	<b>188.8</b>	<b>266.7</b>

5. The combined 2025 baseline expenditure from special accounts, trust funds and other funding sources – the expenditure on essential activities that contribute to the efficient and effective delivery of WFP’s annual implementation plan and the fulfilment of WFP’s institutional obligations – amounts to 28 percent of the total expenditure, with the largest budgets attributed to special accounts such as those for individual fundraising, information technology and the United Nations Humanitarian Response Depot. The baseline budget for 2025 is 15 percent higher than that for 2024 owing to the increased budgets for the individual fundraising special account, which is USD 16.3 million higher than in 2024, and the new trust fund for Saudi support to WFP’s supply chain valued USD 8.1 million.
6. Activities in the “other services” category are incidental, supplementary or discretionary and complement baseline activities or provide administrative and management services to entities other than WFP. The largest activity in this category is WFP’s administration of the African Risk Capacity insurance programme. The 2025 budget for other services shows a 20 percent decrease compared with 2024, mainly as a result of the reclassification of certain activities supported by the innovation fund as “baseline activities” in 2025. “Direct” activities are those that are planned and managed by headquarters but that can be traced to country operations or other headquarters or regional activities. Most of the cost recovery for direct activities comes from country strategic plan (CSP) budgets because the cost drivers of these activities, such as the number of employees required or the tonnage of commodities purchased, are concentrated in country operations. Planned direct expenditures in 2025 are 2 percent higher than in the 2024 budget mainly related to the conclusion of some of the largest multi-year trust funds.
7. “Operational expenditure” includes costs that are directly attributable to goods and services provided to external customers, and allocations to country operations. Examples include the cost of the goods sold to customers of the United Nations Humanitarian Response Depot and allocations to CSPs from thematic trust funds and special accounts (see tables A.V.2 and A.V.3). The 2025 projected operational budget amounts to USD 271.8 million, which is 46 percent lower than the 2024 budget.

### Trust funds: projected income and expenditures, 2025



8. As reflected in figure A.V.1, trust fund income has varied considerably over recent years. In 2025, the projected increase in trust fund income of 22 percent derives mainly from trust funds such as those for climate risk financing, with a 198 percent increase in forecasted income, from USD 9 million in 2024 to USD 26.8 million in 2025; the strengthening food systems trust fund with the Mastercard Foundation, which increases by 21 percent to reach USD 24.9 million; the African Risk Capacity trust fund, increasing by 10 percent to USD 11.5

- million; and the logistics and capacity strengthening trust fund, with a 9 percent increase to reach USD 11.3 million.
9. Table A.V.2 presents the projected trust fund expenditures for 2025, totalling USD 172.2 million and representing a 54 percent decrease compared with the 2024 budget. Operational expenditures, totalling USD 83.9 million, account for the largest share of 2025 projected expenditures. The trust funds with the highest operational costs in 2025 are in the climate change and disaster risk reduction and the partnership thematic areas.
  10. The climate change and disaster risk reduction thematic area accounts for 29 percent of the total projected expenditures for 2025. In this thematic area, the three trust funds with the most significant budget reductions compared with 2024 are those for hunger-related climate change, the Green Climate Fund and the R4 rural resilience initiative, which together account for a decrease of USD 65 million:
    - The hunger-related climate change trust fund, which supports WFP's capacity development initiatives and innovative approaches for addressing the impact of climate change on hunger, has planned expenditures of USD 9.9 million in 2025, reflecting a decrease of USD 27.9 million compared with 2024.
    - The R4 rural resilience initiative trust fund has a budget reduction of 76 percent compared with the 2024 budget. This trust fund supports a strategic partnership between WFP and Oxfam America, which combines cash-and-food-for-assets and community-level disaster risk reduction activities with access to credit, enabling households to take "smart risks", which are protected through insurance and savings.
    - The third largest budget decrease is related to the Green Climate Fund trust fund, which supports the management of specific Green Climate Fund projects through the country portfolio budgets for CSPs. The budget for this trust fund decreases by 65 percent, from USD 26.5 million in 2024 to USD 9.4 million in 2025.
  11. Projected trust fund expenditures in the partnership thematic area represent 19 percent of the total. The largest share of these expenditures is that of the strengthening food systems trust fund. Established with the Mastercard Foundation in 2021, this trust fund has the aim of strengthening food systems and promoting increased employment opportunities for young people in value chains. In 2025, the planned allocation to country offices from this trust fund is USD 25 million.
  12. The highest-value new trust fund is the "Saudi support to WFP supply chain" trust fund, with planned expenditure of USD 8.1 million. The objective of this trust fund is to establish a supply chain for WFP in the Gulf region in order to facilitate effective and efficient operations.
  13. The African Risk Capacity trust fund is the largest trust fund with activities categorized as "other services". It has a projected expenditure of USD 14.9 million in 2025, accounting for 57 percent of expenditures in the other services category. The African Risk Capacity is a pan-African risk-sharing pool designed to help Member States of the African Union improve their capacities to plan and prepare for, and respond to, extreme weather events and natural disasters such as droughts, floods and cyclones.

<b>TABLE A.V.2: TRUST FUND PROJECTED EXPENDITURES BY THEMATIC AREA, 2025</b> <i>(USD million)</i>				
<b>Thematic area</b>	<b>Baseline</b>	<b>Other services</b>	<b>Operational</b>	<b>Total</b>
<b>Climate change and disaster risk reduction</b>	<b>6.0</b>	<b>0.3</b>	<b>43.0</b>	<b>49.3</b>
Climate risk financing	1.5	0.0	22.0	<b>23.5</b>
Hunger-related climate change	3.2	0.3	6.4	<b>9.9</b>
Green Climate Fund	0.0	0.0	9.4	<b>9.4</b>
R4 rural resilience initiative	1.0	0.0	5.2	<b>6.2</b>
Climate resilience in Asia and the Pacific	0.2	0.0	0.0	<b>0.2</b>
<b>Partnerships</b>	<b>5.3</b>	<b>0.0</b>	<b>28.2</b>	<b>33.5</b>
Strengthening food systems (with Mastercard Foundation)	1.7	0.0	25.0	<b>26.7</b>
Other	3.6	0.0	3.2	<b>6.8</b>
<b>Government capacity strengthening</b>	<b>3.5</b>	<b>15.0</b>	<b>0.0</b>	<b>18.5</b>
African Risk Capacity	0.0	14.9	0.0	<b>14.9</b>
Other	3.5	0.1	0.0	<b>3.6</b>
<b>Supply chain</b>	<b>11.8</b>	<b>0.2</b>	<b>2.4</b>	<b>14.4</b>
Saudi support for WFP supply chain (new)	8.1	0.0	0.0	<b>8.1</b>
Other	3.7	0.2	2.4	<b>6.3</b>
<b>Food security</b>	<b>7.7</b>	<b>4.6</b>	<b>0.1</b>	<b>12.4</b>
<b>Nutrition</b>	<b>6.8</b>	<b>2.5</b>	<b>1.0</b>	<b>10.2</b>
<b>WFP capacity development</b>	<b>5.2</b>	<b>2.0</b>	<b>1.9</b>	<b>9.0</b>
<b>School feeding</b>	<b>8.4</b>	<b>0.0</b>	<b>0.4</b>	<b>8.8</b>
<b>Smallholder farmer support</b>	<b>0.0</b>	<b>0.0</b>	<b>6.3</b>	<b>6.3</b>
<b>Emergency preparedness and response</b>	<b>4.3</b>	<b>0.3</b>	<b>0.7</b>	<b>5.3</b>
<b>Other*</b>	<b>3.1</b>	<b>1.3</b>	<b>0.0</b>	<b>4.4</b>
<b>Total</b>	<b>62.2</b>	<b>26.1</b>	<b>83.9</b>	<b>172.2</b>

\* Other thematic areas include cash-based transfers, gender matters, risk management, the Purchase for Progress initiative, the procurement of non-food items in Dubai, and the Innovation Accelerator.

## Special accounts: projected expenditures, 2025

14. Table A.V.3 shows the 2025 projected expenditures from special accounts, totalling USD 413.1 million, with operational activities constituting the largest share at 45 percent of the total. The table categorizes the provision of services into the following three streams.
15. *Business services* account for USD 243.7 million, or 59 percent of total expenditure, and comprise services that would otherwise be sourced externally at greater cost, and mandated services that cannot viably be sourced externally. Business services are provided for internal purposes and to partners, with costs recovered from users. In this category, the special accounts with the largest projected 2025 budgets are those for self-insurance of commodities and vehicles, the aviation service, and logistics services – humanitarian.
16. *Corporate financing* accounts for USD 139.1 million, or 34 percent of total expenditure, and consists of special accounts that benefit from the financing of corporate services, with costs recovered from the WFP units that use the services, including through fee-for-service mechanisms and repayment schedules that ensure full cost recovery. The most notable special accounts in this category are for information technology (the IT per capita special account), the individual fundraising model, and global vehicle leasing.
17. The individual fundraising special account is worthy of note as it includes USD 20 million in new investment in line with WFP's private-sector partnerships and fundraising strategy for 2020–2025, which aims to tap into the transformative potential of diverse funding sources from both individuals and the private sector (refer to annex IV for more detailed information).
18. *“Other”* special accounts have projected 2025 expenditures of USD 30.3 million, or 7 percent of total expenditures, and include the Changing Lives Transformation Fund special account which provides country offices with new tools for mobilizing resources and working with governments to make a greater impact on the lives of vulnerable people. Also in this category is the Emerging Donor Matching Fund, which provides funds aimed at encouraging contributions from host governments by covering the associated costs of those contributions.

**TABLE A.V.3: SPECIAL ACCOUNTS PROJECTED EXPENDITURE BY CATEGORY, 2025 (USD million)**

Category	Baseline	Other services	Direct	Operational	Total
<b>Business services</b>	<b>50.4</b>	<b>1.1</b>	<b>65.7</b>	<b>126.5</b>	<b>243.7</b>
Self-insurance of commodities and vehicles	0.0	0.0	5.3	41.4	<b>46.7</b>
Aviation	6.3	0.0	11.8	13.6	<b>31.7</b>
Logistics services – humanitarian	3.0	1.1	5.4	16.3	<b>25.9</b>
United Nations fleet	0.0	0.0	1.5	20.8	<b>22.3</b>
WFP innovation fund	0.0	0.0	0.0	20.7	<b>20.7</b>
Information technology	18.4	0.0	0.6	0.0	<b>19.0</b>
United Nations Humanitarian Response Depot*	14.3	0.0	2.1	0.0	<b>16.4</b>

<b>TABLE A.V.3: SPECIAL ACCOUNTS PROJECTED EXPENDITURE BY CATEGORY, 2025 (USD million)</b>					
<b>Category</b>	<b>Baseline</b>	<b>Other services</b>	<b>Direct</b>	<b>Operational</b>	<b>Total</b>
Fast information technology and telecommunications emergency support team	0.0	0.0	10.7	0.0	<b>10.7</b>
Global logistic cluster	6.8	0.0	1.1	0.0	<b>7.9</b>
Global Commodity Management Facility*	0.0	0.0	3.8	0.0	<b>3.8</b>
Other**	1.6	0.0	23.4	13.7	<b>38.6</b>
<b>Corporate financing</b>	<b>37.3</b>	<b>0.0</b>	<b>66.3</b>	<b>35.6</b>	<b>139.1</b>
IT per capita	0.0	0.0	40.0	0.0	<b>40.0</b>
Individual fundraising model	37.3	0.0	0.0	0.0	<b>37.3</b>
Global vehicle leasing	0.0	0.0	2.9	19.1	<b>22.0</b>
Field premises improvements and recovery services	0.0	0.0	0.0	12.0	<b>12.0</b>
Other***	0.0	0.0	23.4	4.4	<b>27.8</b>
<b>Other</b>	<b>1.8</b>	<b>0.1</b>	<b>2.6</b>	<b>25.8</b>	<b>30.3</b>
Changing Lives Transformation Fund	0.7	0.0	0.0	15.0	<b>15.7</b>
Emerging Donor Matching Fund	0.0	0.0	0.0	10.0	<b>10.0</b>
Other****	1.1	0.1	2.6	0.8	<b>4.7</b>
<b>Total</b>	<b>89.4</b>	<b>1.2</b>	<b>134.6</b>	<b>187.9</b>	<b>413.1</b>

\* The operational value of this special account is not included.

\*\* Notable special accounts in the "other" business services category are those for accelerating gender mainstreaming in WFP, advocacy, the cost recovery mechanism for specialized donor financial reporting, the cash and voucher service platform, change management execution, food safety and quality, service contract/special service agreement insurance, the Logistics Execution Support System, nutrition, implementation of the Business Innovation Group project, and the wellness programme.

\*\*\* Notable special accounts in the "other" corporate financing category are those for identity management, field security, implementation of the human capital management in WFP and global surge capacity in emergency initiative, and Management Service Division Special Account.

\*\*\*\* Notable special accounts in the "other" category are administration of the Junior Professional Officer programme, the Field and Emergency and Support Office and the integrated road map.