World Food Programme
Programme Alimentaire Mondial
Programa Mundial de Alimentos
برنامج الأغذية العالمي

Executive Board
Second regular session
Rome, 16–18 November 2026

Distribution: General
Date: 25 September 2026
Original: English

Agenda item 5
WFP/EB.2/2026/5-B/1
Financial and budgetary matters
For decision

Executive Board documents are available on WFP's website (https://executiveboard.wfp.org).

Proposal to expand twinning eligibility

Executive summary

In line with WFP General Regulations Article XIII.2 and General Rule XIII.4(c), certain donors are eligible to make contributions to WFP that do not independently achieve full cost recovery on a "twinning" basis. For eligible donors, these provisions allow contributions from two or more sources to be combined so that all costs associated with the original "twinned" contribution are covered. With the formalization of twinning in 2004, WFP aimed to increase its resources and broaden WFP's donor base, in particular among least-developed countries and low- and lower-middle-income countries, while fully preserving the full cost recovery principle that underpins WFP's financial model.

As twinning has demonstrated a strong catalytic effect for increasing resources as well as supporting efforts to broaden WFP's donor base, WFP is proposing an expansion of twinning eligibility to include upper-middle-income countries, which are currently ineligible and which represent a potential for growth as donors. This paper sets out the rationale for the proposed expansion, recent experiences and missed opportunities with twinning, as well as a related set of parameters and enhanced reporting to the Executive Board designed to ensure that expanded eligibility remains catalytic, exceptional and fully consistent with the full cost recovery principle.

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Draft decision*

Having considered the document entitled "Proposal to expand twinning eligibility" (WFP/EB.2/2026/5-B/1), the Board:

i) *recalls* that, since 2004 (WFP/EB.3/2004/4-C), the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD DAC) classifications of "least-developed," "low-income," and "lower-middle-income" countries have been used to determine the eligibility of government donors for contributions that do not achieve full cost recovery under the provision now set forth in General Rule XIII.4(c);

ii) *decides* to replace the OECD DAC classification with the World Bank Group classification for the purposes of determining country eligibility for assistance in meeting full cost recovery under General Rule XIII.4(c), such that countries classified by the World Bank Group as "low-income" or "lower-middle-income" shall be eligible for such assistance;

iii) *decides*, subject to the parameters set forth in paragraphs 32–39 of this document, that countries classified as "upper-middle-income" by the World Bank Group shall also be eligible to make contributions that do not achieve full cost recovery under General Rule XIII.4 (c), except that the full operational and support costs of such contributions shall be covered through contributions from another donor or donors, without resort to the WFP Fund or to monetization;

iv) *further decides* that these criteria shall apply to contributions received pursuant to agreements entered into after the date of this decision; and

v) *welcomes* the enhanced reporting on contributions received under General Rule XIII.4(c) and the review of expanded eligibility to be undertaken in accordance with paragraphs 35 and 41 of this document.

* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

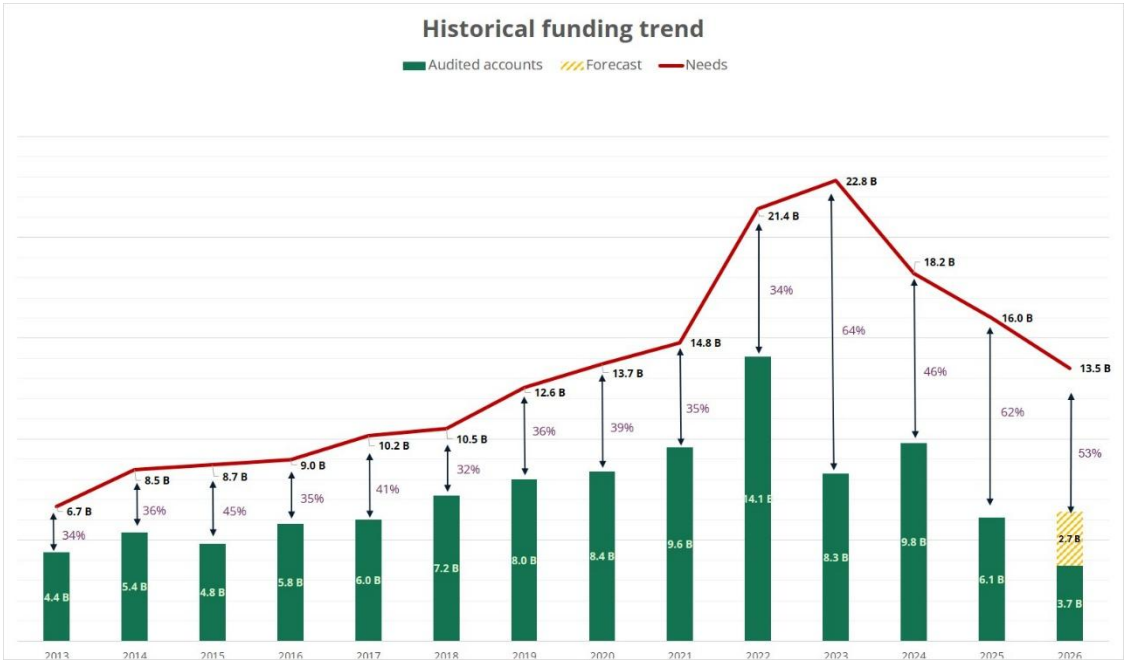
1. Background

Funding trends and the importance of diversifying WFP's donor base

1. Over the past decade, WFP's funding trajectory has shifted from growth to volatility. Confirmed contributions rose from USD 4.8 billion in 2015 to a record USD 14.1 billion in 2022, reflecting a period of exceptional requirements and funding. Since then, contributions have declined sharply, with forecasts projected at around USD 6.4 billion this year and USD 6.3 billion in 2027.

2. Resources have not kept pace with requirements: the annual funding gap widened to 63 percent in 2023 and is projected to exceed 50 percent in 2026, even as implementation plans are recalibrated downwards. This gap is now a defining constraint on prioritization, pipeline management and WFP's ability to sustain assistance at scale.

Figure 1: Confirmed contributions, operational requirements and funding gap, 2015–2026



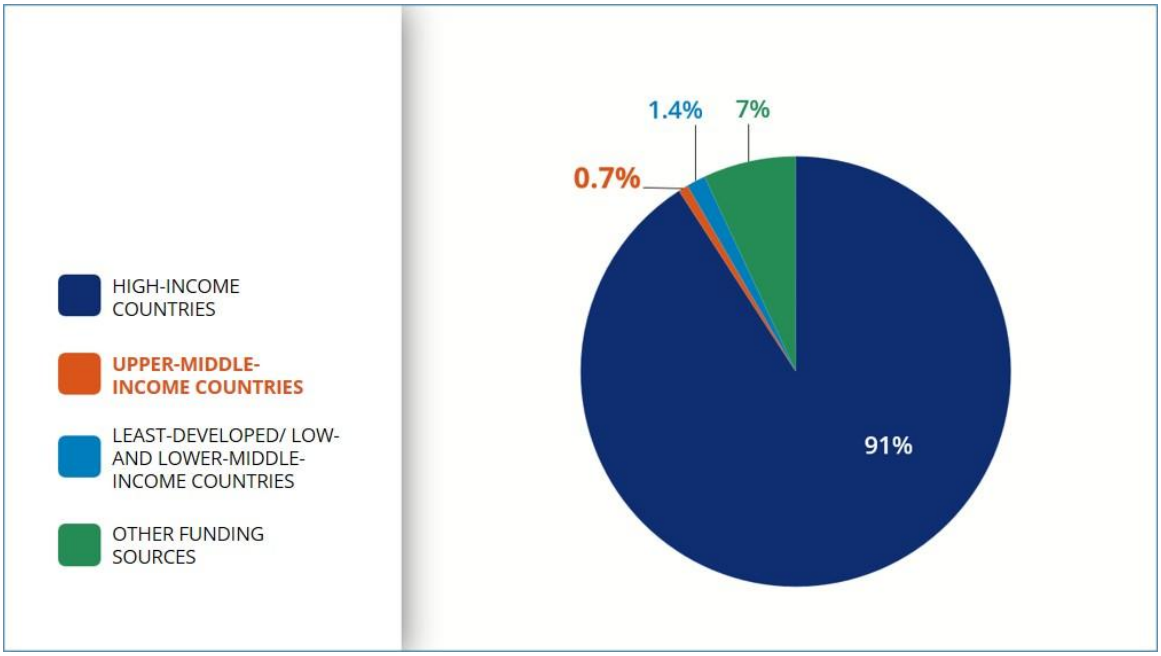
Source: Weekly Statistical Report, 3 August 2026.

3. WFP's funding trends reflect a wider deterioration in the financing environment. OECD DAC data show that official development assistance declined in 2024 for the first time after five years of growth, with humanitarian aid also declining.

4. For WFP, this sharpens the imperative to protect established partnerships while broadening the funding base. In 2025, 81 percent of confirmed contributions came from OECD DAC Member States – 61 percent came from the top five donors alone – constituting a significant concentration risk.

5. As illustrated in figure 2, the high proportion of contributions from OECD DAC Member States is not unique to 2025; an average of WFP's contribution base over the past ten years shows a high concentration with high-income countries providing over 90 percent of contributions, with other funding sources (including international financial institutions and the private sector) averaging around 7 percent. Least-developed, low- and lower-middle income countries represented approximately 1.4 percent, while upper-middle-income countries, only around 0.7 percent.

Figure 2: Ten-year average share of WFP contributions, 2016–2025



Source: WFP Contribution Statistics.

6. Diversifying WFP's funding and donor base is increasingly central to sustaining operational reach, reducing concentration risk and strengthening institutional resilience. The resource mobilization strategy for 2026–2029 comprises three pathways towards strengthening WFP's funding base: protecting longstanding partnerships; growing support from emerging and high-potential partners; and diversifying resources across public, private and innovative financing streams. Traditional government donors will remain the cornerstone of WFP's funding model, but future growth will increasingly depend on a broader base, including programme countries, international financial institutions, non-OECD DAC partners, United Nations pooled funds, private sector actors and innovative financing mechanisms.

7. Analysis of trends in government contributions shows that programme countries are an increasingly important part of WFP's donor base, supported in part by mechanisms such as twinning. Contributions from lower-middle-income, low-income and least-developed countries have grown over the past two decades, with twinning helping these partners to overcome associated-cost constraints and contribute to WFP operations (most often in their own countries), thereby supporting national ownership while adhering to the full cost recovery (FCR) principle. Data from the past five years show a notable increase in contributions from lower-middle-income countries, with a 20 percent increase in the number of those donors as well as a tripling of the average USD value received annually over the same period, often enabled through twinning.

8. Expanding twinning eligibility to include upper-middle-income countries would create a pathway for a wider range of partners to increase their support to WFP, enabling programme countries, where relevant, to progress from recipients towards greater self-financing and contributor roles, while also facilitating contributions from upper-middle-income countries supporting WFP operations nationally, regionally or globally. By addressing associated-cost constraints, the expansion could unlock additional resources, diversify WFP's donor base and reduce reliance on funding concentrated among high-income countries.

Twinning in the context of WFP's funding model review

9. The proposed expansion of twinning eligibility is part of a broader review of WFP's funding model, driven by declining traditional resources. With the start of a new strategic plan in 2026 and after two or three cycles of country strategic plans (CSPs), this is an opportune moment to review WFP's financial mechanisms and identify options for widening contribution channels, while fully safeguarding the FCR policies that underpin the organization's financial integrity.

10. Twinning is one of the exceptions provided under General Rule XIII.4(c): it is an alternative means of achieving FCR that involves combining contributions from multiple donors or funding sources to ensure all associated costs of the original "twinned" contribution[1] are covered. The key distinction between twinning and other FCR exceptions is that twinning preserves the FCR principle in full, since all costs are provided for.

11. A limited expansion of twinning, supported by clear guiding principles and enhanced reporting to the Board, would allow WFP to accept strategically valuable contributions that would otherwise be missed simply because current eligibility does not extend to upper-middle-income countries. The proposal directly advances the objectives of the funding model review: widening contribution channels, accelerating diversification and unlocking additional resources, while maintaining transparency and prudent financial management.

2. Full cost recovery principle and twinning

12. As WFP is 100 percent voluntarily funded and receives no assessed contributions, it operates under an FCR model, through which each donor must cover the full operational and support costs of its contribution(s).

13. WFP's General Regulations, General Rules and Financial Regulations govern the FCR principle, its application and its exceptions and exemptions. General Regulation XIII.2 states that, with limited exceptions, all contributions must achieve FCR:

> ***General Regulation XIII.2***
>
> *"Donors may contribute appropriate commodities, cash and acceptable services in accordance with the general rules made pursuant to these General Regulations. Except as otherwise provided in such general rules in respect of developing countries, countries with economies in transition and other non-traditional donors, or in respect of other exceptional situations, each donor shall provide cash contributions sufficient to cover the full operational and support costs of its contributions.*"

14. General Rule XIII.4 builds on General Regulation XIII.2 to set out the detailed application of FCR, together with its exceptions and exemptions. General Rule XIII.4.(c) in particular provides the twinning exception for a limited set of eligible donors, indicating that contributions from two or more donors (or funding sources) may be combined to meet FCR requirements on the original twinned contribution (i.e. to ensure coverage of all required associated costs).[2]

[1] A "twinned" contribution in this context represents the primary contribution of cash, in-kind commodities, services or non-food items.

[2] The full text of the WFP General Regulations and General Rules can be found here: WFP General Regulations, General Rules, Financial Regulations, Rules of Procedure of the Executive Board (September 2025).

General Rule XIII.4(c)

Governments of developing countries, countries with economies in transition, and other non-traditional donors as determined by the Board, may make contributions that do not achieve full cost recovery, provided that:

i. the full operational and support costs are covered through contributions by another donor or donors, through the monetization of part of the contribution and/or through resort to the WFP Fund;

ii. such contributions are in the interests of the Programme and do not result in any disproportionate administrative or reporting burden to the Programme; and

iii. the Executive Director considers that accepting the contribution is in the interests of the beneficiaries of the Programme.

15. The twinning mechanism was introduced in 1998[3] and enabled WFP to accept appropriate commodities or services from non-traditional donors unable to provide the cash required to cover the associated costs, with FCR achieved instead by matching cash contributions from other donors or resorting to the WFP Fund.[4]

16. A 2004 policy paper[5] formalized twinning, establishing per capita gross national income as the eligibility criterion for government donors and defining the countries eligible for twinning as "least-developed countries, low-income and lower-middle income countries" as defined by OECD DAC, giving precision to the application of General Rule XIII.4(c).[6] This underpinned WFP's efforts to broaden its donor base and promote South–South cooperation, while safeguarding FCR.

17. In 2018, as part of the review of the Integrated Road Map, twinning was expanded to cover cash contributions,[7] reflecting WFP's shift from food aid to food assistance and enabling cash contributions from host governments with legislative constraints on covering overhead costs (in particular, indirect costs). Since then, the Board has further expanded the definition of non-traditional donors eligible for twinning to include private sector donors (approved in 2022[8]) and vertical funds[9] such as the Adaptation Fund and the Green Climate Fund (approved in 2025).[10]

[3] "Report of the formal working group on WFP's resources and long-term financial policies" (WFP/EB.1/99/4-A).

[4] For the purposes of this paper, "twinning" is defined as the support provided in order to achieve FCR for eligible donors, with the support provided for associated costs being sourced from other donors or by resorting to the WFP Fund or monetization.

[5] "New Partnerships to meet rising needs – expanding the WFP donor base" (WFP/EB.3/2004/4-C), paragraphs 17 to 19.

[6] At the time of the 2004 policy paper, the General Rule relating to twinning was General Rule XIII.4(e). Following a series of updates, it is now reflected in General Rule XIII.4(c).

[7] "Update to the Integrated Road Map" (WFP/EB.2/2018/5-A/1).

[8] "Classification of private sector donors as non-traditional donors under General Rule XIII.4 (c)" (WFP/EB.A/2022/6-C/1/Rev.1).

[9] For the purposes of WFP twinning, "vertical funds" are funds that are designated as part of the financial mechanism of the United Nations Framework Convention on Climate Change: the Global Environment Facility, the Green Climate Fund, the Special Climate Change Fund, the Least Developed Countries Fund, the Adaptation Fund and the Fund for Responding to Loss and Damage.

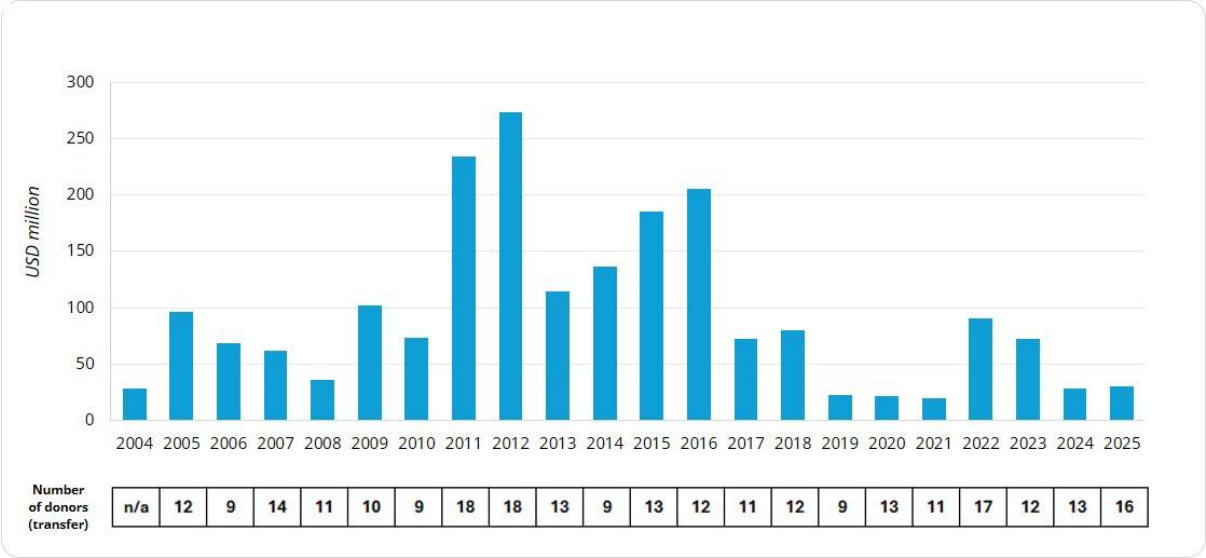
[10] "WFP management plan (2026–2028)" (WFP/EB.2/2025/5-A/1/Rev.2). In particular, see paragraphs 28–30 and annex IX.

3. Recent use of twinning and missed opportunities

18. Although twinning represents on average less than 1 percent of annual contributions, its strategic value is disproportionate to its size: it has opened new partnerships, enabled host governments to contribute to their own programmes and ultimately expanded WFP's donor base. Examples of twinning arrangements can be found in the annex.

19. Over the last ten years, twinning arrangements have primarily involved host governments providing contributions – whether cash or in-kind – to programmes in their own countries. With the exception of Ukraine, 99 percent of twinned contributions over the last five years were provided by host governments for their own programmes, of which 20 percent were in least-developed countries and 80 percent, lower-middle-income countries.

Figure 3: Twinning, 2004 to 2025 (annual amount in USD millions and number of donors)



Source: Report of the Executive Director on contributions, reductions and waivers of costs under General Rule XIII.4 (f), Executive Board - Annual session: Financial and budgetary matters.

20. As figure 3 illustrates, the annual level of twinning has varied significantly over the years. The highest levels are seen in the early 2010s, and the subsequent reduction is in fact a marker of success: it reflects changes in support from countries such as Bangladesh and Pakistan, which began by supporting WFP through twinning-supported in-kind contributions, which evolved and diversified to include FCR-compliant contributions in cash.

21. An analysis of contributions from twinning-eligible donors indicates that on average, twinning enabled approximately two thirds of the contributions received from least-developed, low-income and lower-middle-income countries ten years ago. When compared to the contribution statistics of the last few years, the share of contributions from those donors that was linked to twinning declined to approximately 17 percent. This indicates that as partnerships have matured, reliance on twinning to facilitate contributions has diminished over time, supporting progression towards more independent forms of financing with reduced support through twinning – suggesting that twinning can serve as a transitional or "initiator" mechanism, helping countries to build strategic partnerships with WFP and gradually move towards becoming regular donors, with reduced reliance on twinning.

Case study: Pakistan – from twinning-enabled contributions to large-scale host government financing

Pakistan illustrates the contribution transition pathway that twinning can help enable. Its engagement with WFP as a donor began in 2005/2006, with much of its support over the following decade linked to twinning arrangements. During this period, twinning helped establish a sustained partnership and supported a gradual expansion in contribution volumes, from USD 100,000 in 2005 to more than USD 80 million in 2015. The nature of Pakistan's support also evolved: early contributions were primarily in-kind, while cash contributions were initially modest and intermittent. From 2018 onward, cash contributions increased substantially, rising from approximately USD 1.5 million to more than USD 200 million in 2021. In 2026, Pakistan has contributed USD 419 million entirely in cash, making it WFP's third-largest contributor thus far this year and with a culminating support to 8.2million beneficiaries over a period of three years. This progression demonstrates how twinning can serve as a transitional mechanism, helping host governments move over time from in-kind, twinning-supported contributions towards larger-scale, cash-based financing that supports national ownership and strengthens WFP's donor base. Importantly, Pakistan's experience also underlines that such transitions are gradual and typically unfold over a sustained period: in this case, the shift from initial twinning-enabled contributions to large-scale cash financing took place over roughly two decades.

The multiplier effect of twinning

22. Throughout its use at WFP, twinning has had an average 1.6x multiplier effect: for every USD 1 of twinned (or "matching") associated costs provided, on average WFP has generated an additional USD 1.6 in transfer contributions (cash or in-kind) that would not otherwise have been received.[11]

Case study: Vertical funds in Tajikistan – 13x multiplier effect from twinning

A USD 2.45 million allocation from the Emerging Donor Matching Fund (EDMF) in Tajikistan unlocked a USD 32.1 million contribution from the Green Climate Fund (for 2026–2031). This 13:1 twinning multiplier diversified WFP's funding and strengthened its strategic climate finance partnerships while mobilizing significant multi-year funding – illustrating the catalytic value of twinning.[12]

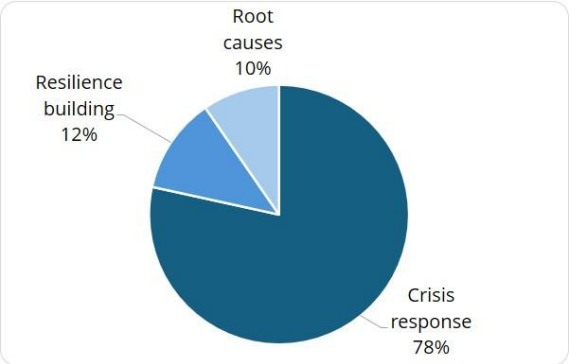
Twinning by focus area

23. Analysis of twinning support over the period 2021 to 2025 shows that the largest share of these arrangements has directly supported WFP's emergency response activities (see figure 4).

[11] Calculation references the period 2021 to 2025 and excludes recent twinning support related to the Grain from Ukraine/Black Sea Initiative, which is an outlier because it involves several complex emergencies and correspondingly higher associated costs.

[12] See the annex for more details.

Figure 4: Twinning by focus area, 2021–2025

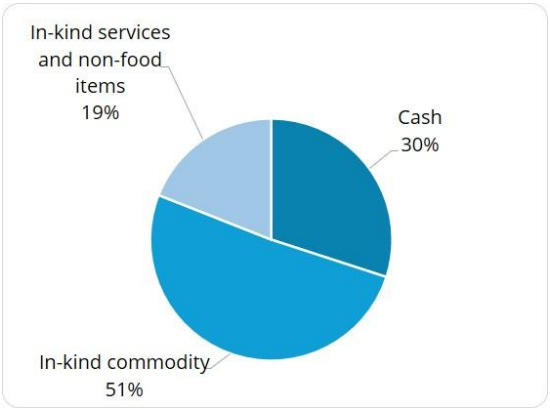


24. However, this period was heavily shaped by the Ukraine twinning programme (the Grain from Ukraine/Black Sea Initiative), a large-scale, emergency-focused initiative that alone accounted for 55 percent of all twinning arrangements in those years. Excluding that programme, the picture shifts markedly: activities tackling root causes and building resilience account for as much as 43 percent of the total value of twinning arrangements over that period.

Twinning by modality

25. Twinning unlocks contributions in a range of modalities while preserving FCR and supporting the implementation of CSPs. Figure 5 shows the mix of in-kind, cash, services and non-food contributions received through twinning in 2025, noting that the inclusion of cash contributions was approved only in 2018 – relatively recently compared to the start of in-kind twinning.

Figure 5. Twinning by modality, 2025



Missed opportunities due to limited eligibility of twinning

26. While twinning has expanded WFP's donor base and partnerships, the existing eligibility criteria have also led to missed opportunities. The examples below illustrate the practical impact of this constraint at a time when WFP is seeking to protect its ability to operate at scale, diversify its funding base and respond to acute and protracted needs. In each case, a contribution was made available to WFP but could not be accepted because the partner concerned could not cover all associated costs and was not eligible for twinning. Had the partner been eligible, these contributions could have supported major operations facing severe pipeline breaks and opened or strengthened partnerships with strategically important partners.

27. **Government-produced food commodities for national programmes:** in one instance, the government of an upper-middle-income country, itself already the main contributor to its own programme, proposed to provide 1,300 mt of fortified blended food valued at USD 3.2 million. This would have represented a new strategic area of partnership through the expansion of a nutrition programme. National legislation, however, did not permit the provision of associated costs for that product, and as the government did not meet current eligibility criteria for twinning, WFP was unable to accept the contribution. If WFP had been able to accept it, the nationally produced fortified commodity would have been integrated into national food assistance programmes, expanding available resources while supporting local production systems and reinforcing a government-led response.

28. **Strategic food stocks for emergency response:** in another case, an upper-middle-income country offered 17,000 mt of wheat grain, valued at around USD 5 million, for one of WFP's largest emergency programmes. The contribution would have eased severe pipeline pressure, covering about three months of cereal requirements for 1.9 million vulnerable people at a time when WFP stocks were running out and the programme was already being scaled back significantly. However, the donor could not cover the associated costs, and even though another donor had been identified to cover those costs, twinning could not be pursued because the upper-middle-income country was not eligible.

4. Proposed expansion of twinning

Twinning proposal: limited expansion to upper-middle-income countries

29. Twinning has a proven catalytic effect in enabling contributions and safeguards WFP's operational financial viability by ensuring that contributions ultimately achieve FCR. On this basis, and further to guidance and feedback from the Board, WFP proposes a limited expansion of twinning eligibility to include upper-middle-income countries. The proposed expansion is limited in scope and would not require any change to the current text of General Rule XIII.4(c), which provides that the eligibility of donors thereunder is "*determined by the Board*." In accordance with this, the Board has previously approved specifications and expansions of twinning eligibility through Board decisions (as noted in paragraphs 15–17, reflecting the Board's 2004 approval of eligibility for least-developed, low-income and lower-middle-income countries, as well as for private sector donors and vertical funds), consistent with the approach set forth in this document. This expansion would be accompanied by parameters to guide its application for the newly eligible upper-middle-income donors.

30. Board approval will be sought for expanding the countries defined as eligible for twinning through the application of General Rule XIII.4(c), which are "*Governments of developing countries, countries with economies in transition, and other non-traditional donors as determined by the Board,"* extending the eligibility to also include upper-middle-income countries.

31. Furthermore, as noted above, the Board has previously defined the eligibility of "least-developed," "low-income" and "lower-middle-income" countries for assistance pursuant to General Rule XIII.4(c) by reference to the country classification issued by OECD DAC. WFP proposes revising this definition such that eligible countries are defined by reference to the country classification issued by the World Bank Group instead of the OECD DAC classification. The purpose of this adjustment is to provide a more frequently

updated framework for determining eligibility in order to address situations where the OECD DAC classification may be pending an update.[13, 14]

5. Risk analysis and mitigation and expanded oversight/reporting

Parameters for governance and risk mitigation

32. The proposed expansion of twinning eligibility to upper-middle-income countries would be accompanied by a set of parameters that would serve as its governance framework. These parameters have been developed through an integrated risk analysis and further refined through consultations with Board members to ensure that the FCR principle remains intact and that new twinning opportunities are used as intended. The following risks and corresponding mitigation measures have been identified and are explained in further detail below:

- Preventing donor-driven shifts in programme modality:
  - Inclusion of financial caps would mitigate risks of significant shifts in modality.
  - Consistency check would be used to ensure that contribution modalities match CSP or implementation plan activities.
  - Further oversight would be introduced, with expanded reporting to the Board.
- Protecting WFP resources and flexible funding:
  - Newly eligible donors would not have access to the WFP Fund or monetization to enable twinning.
  - Newly eligible donors would need to identify their own twinning partners.

33. Together, these parameters would safeguard against donor-driven modality choices and an excessive concentration of twinning arrangements from newly eligible upper-middle-income countries. They would also ensure that any use of expanded twinning arrangements remains demand-driven, aligns with the approved CSP framework and implementation plans and is subject to transparent oversight.

Maximum cap (overall and by donor)

34. WFP proposes to introduce financial caps for the newly eligible twinning donors (i.e. for twinning contributions from the governments of upper-middle-income countries):

i) **An annual overall cap on twinning by upper-middle-income countries of 10 percent of WFP's annual global contributions forecast.**

- If such a cap were applied to 2026, this would limit the value of contributions provided through twinning arrangements at USD 640 million (10 percent of the USD 6.4 billion global forecast). The proposed cap has been derived by tripling the maximum annual value of twinning in the last ten years (USD 205 million in 2016), thus providing room for substantial growth while ensuring twinning does not dominate funding trends.

[13] The World Bank Group list is updated annually, whereas the OECD DAC list – although updated with World Bank data – is updated every three years.

[14] Note that the OECD DAC category "least-developed country" does not exist in the World Bank Group classification, which categorizes such countries as "low-income".

- The proposed 10 percent cap reflects a cautious and incremental approach to expanding twinning eligibility and would be applied to the total annual twinning amount – meaning the sum of transfers and all associated cost contributions. It enables WFP to broaden participation by newly eligible donors while ensuring that their twinned contribution remains a limited share of the overall portfolio. Annual reporting to the Board will provide a regular opportunity to assess whether the threshold remains appropriate, proportionate and consistent with the objective of preserving FCR and avoiding undue reliance on twinning.

ii) **An annual individual donor cap of 10 percent of the overall twinning cap** – effectively 1 percent of WFP's annual global contribution forecast – would also be applied to the total value of twinned contributions provided by each upper-middle-income government donor in a calendar year, exclusive of costs covered by other donors.

- If applied to 2026, an individual donor would be able to engage in twinning up to a maximum of USD 64 million for the calendar year. This cap should be sufficient to enable growth at the individual donor level, noting that no individual contribution from an upper-middle-income country has surpassed USD 30 million in the last five years. This cap would also ensure the opportunity for multiple upper-middle-income countries to pursue twinning in a given year, within the parameters of the overall cap set forth above.
- The annual individual donor cap would not be applicable to donors that provide only associated costs.

iii) **No cap would be introduced for previously eligible donors**. This would ensure that donors currently eligible for twinning are not impacted by the proposed caps.

35. During the 10 September 2026 informal consultation on the paper "Proposal to expand twinning eligibility", some Board Members suggested that WFP consider exploring areas for flexibility in the application of the caps and parameters – including whether they should be reconsidered in the context of cash contributions, or in the context of fully flexible twinning opportunities (i.e. for twinning contributions provided without any earmarking for country, focus area or activity). While not proposing any immediate changes to the proposed parameters in this regard, WFP will consider these suggestions through its monitoring and reporting in the coming years and may propose such changes for the Board's consideration in the future.

Modality

36. Expanded twinning for newly eligible donors would be permitted only where the proposed contribution aligns with the transfer modality or modalities planned under the relevant CSP activity[15] and implementation plan. This parameter would guard against unintended shifts away from planned programme modalities, ensuring that twinning supports, rather than disrupts, approved programme design. In contexts where different modalities are being considered, market functionality assessments using the corporate Market Functionality Index are mandatory in support of modality decisions. WFP would verify that the proposed twinning contribution matches the modality already planned for the relevant CSP activity. Enhanced reporting to the Board on the use of twinning by transfer modality (as described in paragraph 40) would provide further transparency and oversight, supporting the monitoring of the mechanism's application for contributions of cash, in-kind commodities, services and non-food items.

[15] In the event that a twinning contribution is considered in the context of trust funds or other formats, the same approach of ensuring modality consistency would still apply.

37. This alignment check would also mitigate risks of market disruption by ensuring that twinned contributions do not introduce commodity transfers or other delivery modalities that are inconsistent with programme design, local market conditions or established procurement and supply chain considerations. As twinning affects the financing arrangement rather than the modality of assistance delivered to beneficiaries, decisions on cash-based transfers, in-kind food assistance, services or other modalities would continue to be guided by CSP-approved activities, operational requirements and market assessments, with particular attention to avoiding the displacement of planned local or regional procurement, price distortions or supply chain disruption. The contribution profile of potential upper-middle-income donors, which has historically been 90 percent cash-based, further reduces the likelihood that the proposed expansion would generate a material increase in commodity transfers affecting local markets, while existing modality checks and Board reporting would preserve safeguards for market-sensitive programming and national market protection.

No access to monetization or the WFP Fund

38. Similar to the restriction placed on private sector donors, the newly eligible upper-middle-income countries would not have access to the WFP Fund or to monetization for the purposes of application of WFP General Rule XIII.4(c). This means that newly eligible upper-middle-income donors would continue to have no access to WFP resources, including the EDMF, nor to monetization, in order to achieve FCR. This restriction ensures continued prioritization of currently eligible government donors for the allocation of associated costs from the EDMF or other WFP resources.

Self-identification of twinning partners

39. For contributions accepted under the expanded twinning eligibility, upper-middle-income donors would be required to identify their own twinning partners to provide the cash contribution needed to cover associated costs and achieve FCR. WFP may advise on potential associated-cost partners and facilitate coordination where appropriate, but the organization would not be responsible for securing the matching contribution or ensuring that the twinning partnership materializes. The arrangement would proceed only once associated costs are fully covered through a separate contribution from another donor or donors. This stipulation also reinforces financial discipline by requiring newly eligible donors to secure the full financing package that their contribution needs before WFP can accept it.

Enhanced oversight on the application of twinning

40. In addition to the parameters described above, WFP recognizes that increased visibility on twinning arrangements is critical to effective Board oversight of the new eligibility. WFP therefore proposes to enhance its annual reporting to the Board to include the following:

    - Breakdown of twinning arrangements by eligibility group (low-income, lower-middle-income and upper-middle-income countries, as well as private sector donors and vertical funds).
    - Report on the use of caps (total and by donor) for upper-middle-income countries.
    - Breakdown information on contributions by modality (cash, in-kind commodity, etc.).
    - Additional visibility on donors that provide associated costs.
    - Qualitative reporting, including descriptions of success stories, their impact and declined opportunities.

41. As illustrated by the previously mentioned case study of Pakistan, it may take some time before WFP sees a consistent growth trend in contributions from newly eligible twinning donors. In the meantime, therefore, the expanded annual reporting will facilitate regular monitoring of the impact and scale of the expanded eligibility for twinning in the short and longer term, which will inform any potential adjustments that may be recommended for implementation. WFP also will conduct a related review by the end of the current strategic plan (2029) and engage with the Board if any adjustments to eligibility and parameters are considered beneficial.

42. Implementation of the proposed expansion would be embedded within WFP's existing twinning processes and would not require additional teams, dedicated staffing structures or new systems. It would build on current review, approval and contribution management arrangements, with the principal additional requirement being enhanced reporting to the Board. No additional staff or system investment would be required for successful implementation.

ANNEX

Examples of twinning success stories

Multiplier effect: Vertical funds in Tajikistan– 13x multiplier effect from twinning

1. In Tajikistan, twinning through the EDMF in 2026 unlocked a USD 32.1 million contribution from the Green Climate Fund, supporting a multi-year climate resilience and adaptation programme for 2026–2031. A USD 2.45 million EDMF allocation covered the remaining implementation and direct support costs needed to achieve FCR, making receipt of the contribution possible. The arrangement generated a multiplier ratio of approximately 13:1: every USD 1 of EDMF support in associated costs enabled WFP to receive around USD 13 for programme delivery, demonstrating the catalytic value of twinning in mobilizing substantial resources from vertical funds. In addition to supporting programme implementation at scale, the arrangement diversified WFP's funding base beyond traditional humanitarian donors and strengthened its partnership with the Green Climate Fund as a strategic climate finance partner.

Host government contribution: In-kind maize to support the response to El Niño

2. Malawi provides an excellent example of host government contributions. Twinning through the EDMF allowed WFP to accept the Government of Malawi's in-kind contribution of 6,825 mt of maize as part of the national response to drought triggered by El Niño. EDMF allocations of USD 2.8 million covered transport and delivery costs, helping to move food from strategic grain reserve sites to final distribution points. This support helped to unlock USD 60 million in additional domestic and World Bank-supported financing and contributed directly to the national response for populations facing severe acute food insecurity.

Examples of twinning in different modalities

3. **An example of cash twinning can be found in the girls' cash-stipend programme in Pakistan:** twinning support helped to sustain and scale up a government-led cash-stipend initiative for adolescent girls in the districts of Khyber Pakhtunkhwa, linking conditional cash transfers to school attendance. The model contributed to a documented 14 percent increase in girls' enrolment and helped build government confidence in WFP. Beyond the initial EDMF-supported contribution, the partnership played a role in positioning school-based cash incentives as a scalable entry point for broader education, nutrition and social protection programming, helping to mobilize more than USD 400 million in government financing in 2022 and 2024.

4. **An example of twinning for in-kind services can be found in Kyrgyzstan:** the Government provided an in-kind contribution of specialized technical services, valued at USD 1.9 million, to support implementation of the national disaster risk reduction strategy by covering technical inputs required to design, install, supervise and sustain assets and infrastructure related to disaster risk management. The package included transportation and installation works, locally adapted engineering design, technical supervision, maintenance, risk and environmental assessments, and community-level capacity strengthening. The example illustrates how twinning services can unlock specialized implementation capacity, strengthen national systems and support locally adapted, sustainable disaster risk reduction outcomes.

Acronyms

CSP	country strategic plan
EDMF	Emerging Donor Matching Fund
FCR	full cost recovery
OECD DAC	Development Assistance Committee of the Organisation for Economic Co-operation and Development