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Resource, Financial and Budgetary Matters

For approval

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WFP Management Plan (2017–2019)

Executive Summary

The 2030 Agenda

The 2030 Agenda for Sustainable Development has significantly changed humanitarian approaches to reducing human suffering, protecting the planet and ensuring prosperity for all by 2030. Of the 17 Sustainable Development Goals (SDG) WFP focuses on SDG 2 – Achieving zero hunger, and SDG 17 – Partnering to support implementation of the SDGs – as a reflection of its strengths and the reach of its services.

WFP will focus on new ways of making emergency assistance as flexible, efficient and effective as possible by reducing needs, through capacity development and preparation, and by broadening the resource base for funding. This is to be realized through demonstrating operational effectiveness and transparency through innovation and collaboration with local and national responders.

The judicious investments made by WFP over the last 5 years have laid the foundations for these changes. In particular, the Secretariat has been:

- building the various components of a sustainable and scalable cash-based transfer capacity, including cash-based transfer modality skills, a platform and increased partner capacity to meet WFP's goal that by 2020, 40 cents of every dollar value transfer to beneficiaries will be cash;
- transforming our ability to measure the effect of these investments in terms of beneficiary impact by implementing systems for reliable beneficiary registration and monitoring, as well as value-transfer size and cost quantification;
- developing an integrated and more streamlined Supply Chain;
- building up the Innovation Centre, where new ideas are reviewed and developed;

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- implementing a forward-looking People Strategy, including moving all local staff to WFP contracts, by promoting employee wellness and career framework initiatives, and by improving the internal justice system, while actively pursuing external talents and skillsets in order to meet WFP’s evolving and eclectic expertise needs;
- investing in disaster preparedness and regional support capacities – particularly in the areas of Gender, Nutrition and Donor relations, and extending these capacities to regional and national partners;
- streamlining its resourcing and investment decisions through a single governance structure, as part of WFP’s performance-management system. This has, for example, facilitated the re-allocation of USD 3.8 million of additional support costs savings in 2016 to priority programmes such as cash-based transfers support, reflecting WFP’s burgeoning value-for-money culture; and
- implementing a Corporate Partnership Strategy (2014–2017) and establishing the Partnership Resource Centre Strategy, which aims to provide advice and support all offices on how to identify, build, nurture and review effective partnerships.

In view of the importance placed on transparent governance and oversight in the implementation of these initiatives, the Secretariat has also made recent investments supporting the Legal Office, monitoring and evaluation, the Office of the Inspector General and the Ombudsman function.

Integrated Road Map and Planning Principles

An “integrated road map” covering WFP’s future planning, operations and financial architecture will be submitted to the Board at its 2016 Second Regular Session. It recommends the adoption of a Strategic Plan (2017–2021), Country Strategic Plans with a planning horizon of up to five years, with supporting Country Portfolio Budgets and a new Corporate Results Framework.¹ Implementation of the integrated road map will require funding, and proposals will be made to the Board in February 2017 for Critical Corporate Initiatives. Successful implementation of this organizational transformation will improve programme effectiveness, maximize transparency and support performance-based resource allocations in accordance with the standards in the new Financial Framework.²

The Management Plan is the financial planning component of the corporate performance management framework, and is based on information gathered in discussions with donors and on analysis of funding trends. Country offices prepare resource-based plans for activities which are aligned with donor preferences. These are aggregated with trust fund activities, and form their implementation plans. Where planned resources are short of the needs, the process also identifies the impact of the lack of funding of some activities on beneficiaries.

This Management Plan is based on the following guidance:

- adoption of the “best-effect use of cash-based programmes” concept;
- involvement of local people and organizations in the design and implementation of programmes;
- transparency and cost-effectiveness to encourage predictable and flexible contributions;
- investing in preparedness and capacity development to minimize future needs; and
- support for country offices for implementing the new Financial Framework.

Financial Outlook – Funding, Needs and Implementation Plan

Resource forecasts are the starting point of the Management Plan. Table 1 shows income forecasts against the original assessments for the period 2013–2017, reflecting both a shortfall in terms of meeting needs, and income levels consistently exceeding forecasts. The revised anticipated available funding for 2016 of USD 5.6 billion including trust funds is based on recent feedback from donors.

¹ WFP/EB.2/2016/4-B/1.

² WFP/EB.2/2016/5-B/1.

TABLE 1: NEEDS AND PROJECTED FUNDING, 2013–2017 (USD million)					
	2013	2014	2015	2016*	2017*
Management Plan funding forecast	3 700.0	4 200.0	4 400.0	4 900.0	5 200.0
Actual/revised funding level, September 2016	4 380.0	5 381.1	4 807.7	5 600.0	
Management Plan needs, including Indirect Support Costs	5 317.0	6 267.0	7 967.0	8 581.0	9 007.0

* Forecast

Funding Forecast and Harmonizing Indirect Support Cost Rates

As a voluntarily funded organization, the operations of WFP are dependent on contributions actually received and the conditions attached thereof. While the articulation of needs is based on assessments carried out with national and international partners and matched with WFP's mandate and capacity, funding levels are forecast on the basis of consultations with donors and are reconciled with a global funding projection.

The Secretariat continues to diversify revenue streams, drawing on sources such as the Gulf Cooperation Council and the BRICS countries as well as contributions from host governments. Further, WFP is exploiting innovative opportunities such as very small donations from smartphone applications like SharetheMeal.

The inherent efficiency and effectiveness gains from greater predictability and flexibility in the provision of contributions has been recognized. With more than 90 percent of WFP's income earmarked for specific projects, activities or dates, the Secretariat's capacity to react, or to react more efficiently, to changing circumstances is often compromised.

WFP is seeking to increase financial flexibility and predictability, through a revamping of its planning and financial architecture as noted above. The results focus of the new framework would permit improved performance reporting against measurable outcomes or outputs, making softly earmarked and multi-year contributions more attractive. Details of this proposal, together with evidence on efficiency gains and other benefits of more flexible forms of financing, will be set out in the Financial Framework proposal.

WFP also intends to be more competitive in private-sector fundraising, in line with practices in other United Nations agencies. The Secretariat proposes to harmonize the 10 percent³ indirect support cost recovery rate for private-sector contributions with the 7 percent rate for government funding, with a view to increasing the level of funds raised from the private sector, which currently is approaching USD 100 million per annum in addition to the value provided by non-cash partnerships (in-kind and capacity development) to WFP.

Needs

The operational requirements of USD 9 billion for 2017 constitute only a 5 percent increase from the Management Plan (2016–2018) figure of USD 8.6 billion, because long-term emergency operations needs in South Sudan, the Syrian region and Yemen, along with the more recent L3 emergency in southern Africa, were factored into last year's Management Plan.

Assessed operational requirements cover known needs agreed with partners, and do not reflect unanticipated emergency situations. Emergencies have tended to have an upward trajectory, generally between 15–35 percent, as new ones arise or existing ones expand during a year. Humanitarian requirements are constantly reviewed and can change significantly between the drafting of the Management Plan and its adoption.

For 2017, available resources are forecast to be USD 5.4 billion against assessed needs of USD 9.0 billion. The 40 percent gap is less than last year's but is still a concern. The Secretariat will continue to advocate for full funding of needs.

³ WFP/EB.2/2014/5-D/1.

Implementation Plan

The 2017 Implementation Plan is based on country resource-based plans amounting to USD 5.5 billion, comprising the Prioritized Plan of Work of USD 5.4 billion and operations financed from trust funds amounting to USD 100 million. The difference between the USD 5.5 billion plan and the USD 5.2 billion in forecast income results from carry-overs of uncommitted contributions at the beginning of 2017.

WFP designs its projects on the basis of operational needs assessed in partnership with national and local authorities and other humanitarian players. Managers must also prioritize by targeting beneficiary groups and adjusting transfer values, the duration of assistance or the mix of activities in line with anticipated resources. The standard planning system for country offices requires them to: i) plan operations for 12 to 18 months on the basis of forecast resources; ii) integrate resource forecasts into operational planning; and iii) account for differences between operational results and originally planned results.

Resource-based planning will be further enhanced in 2017 in the context of the new Strategic Plan, the Corporate Results Framework and the Financial Framework Review. Furthermore, the Prioritized Plan of Work will be included in full in the 2017 Financial Statements along with approved requirements.

The 2017 Prioritized Plan of Work proposes direct delivery of 16.5 billion rations⁴ to 68 million beneficiaries, of whom 15 percent are in the Middle East – with L3 emergencies in the Syrian region, Iraq and Yemen; 23 percent are in East and Central Africa, including South Sudan; and 18 percent are in southern Africa, which is suffering the severe effects of El Niño.

Direct beneficiaries of food and cash-based transfers are designated Tier 1. The cost per ration for these beneficiaries varies between USD 0.24 and USD 0.34; specialized nutritional products can increase the cost significantly.

With respect to Tier 2 beneficiaries – who benefit indirectly from WFP's food assistance for assets activities – WFP has focused on quantifying the potential number of beneficiaries. In 2017, the total prioritized plan number of Tier 2 beneficiaries is approximately 13 million. However, this methodology does not factor in the quality or lifespan of the assets built and thus should not be considered as a standalone performance metric for food assistance for assets activities. WFP will continue carrying out further studies to establish the impacts on People who benefit indirectly from WFP's capacity-development activities – Tier 3.

Cash-Based Transfers

Cash-based transfers have become an integral part of WFP's operational modalities. Cash-based transfers have grown from a modality in 26 operations in 19 countries seven years ago to one that, in 2017, plans to be employed in 83 operations in 60 countries, putting cash in the hands of almost 9 million beneficiaries.

In accordance with the precept for the best-effect use of cash-based programmes, WFP has been training its own and partners' staff in the use of this modality since 2015, and has established long-term agreements with financial service providers with a view to achieving its goal of making 40 percent of its value transfers in cash. Programme Support and Administrative budget allocations from 2017 will continue to mainstream this modality into WFP's operations.

Programme Support and Administrative Budget, 2017

The Programme Support and Administrative budget reflects the level of indirect support required to implement the Prioritized Plan of Work. The Programme Support and Administrative proposals are based on anticipated indirect support cost income from expected contributions in 2017. This is in accordance with WFP's full-cost recovery policy where the Programme Support and Administrative budget requirements are funded from indirect support cost recoveries from contributions.

⁴ A ration is defined as a single meal or equivalent cash-based transfer for a beneficiary to address food insecurity. Because average ration sizes vary in different activities, the cost per ration is standardized on the basis of 1,000 kcal for food and USD 1 for cash-based transfers. WFP will continue to refine this approach.

Indirect support cost income is expected to amount to USD 335 million on the basis of the forecast contribution level of USD 5.2 billion. In accordance with WFP's "live within our means" approach, the Programme Support and Administrative Budget Equalization Account has built up a healthy balance (see Table 2). Unanticipated increases in estimates for donations in 2016 and 2017 would result in a larger Programme Support and Administrative Equalization Account balance.

TABLE 2: PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET AND EQUALIZATION ACCOUNT (USD million)					
	2013	2014	2015	2016*	2017*
Programme Support and Administration	249.1	274.4	281.8	290.3	300.3
Technical adjustment		7.4			35.1
Critical Corporate Initiatives and one-time	20.0	9.2	27.2	20.0	15.0**
Proposed Transfer to the IRA					15.0
Equalization account year-end balance/forecast	121.3	191.8	138.3	189.2	159.2

* Forecast

** Indicative figure, not for decision

On the basis of its reviews in 2014 and 2015,⁵ the Secretariat proposes that the indirect support cost recovery rate be maintained at 7 percent in 2017.

The Secretariat continues to reprioritize the Programme Support and Administrative budget and the underlying amounts of these appropriation lines does not mean a static budget. Following last year's 5 percent reallocation, departments have identified a further 5 percent of activities that can be eliminated to increase the funding available for higher-priority activities offering greater value for money.

Despite the 14 percent growth in estimated income between 2016 and 2017 in the respective Management Plans, the Secretariat proposes a 3.4 percent increase of USD 10 million to bring the recurring Programme Support and Administrative budget up from USD 290.3 million in 2016 to USD 300.3 million in 2017. The 2017 budget benefits from an additional USD 3 million, resulting from changes in after-service costs and post adjustments outside the Euro zone, bringing the increase in purchasing power of the 2017 budget to USD 13 million.

The proposed 2017 budget is intended to drive WFP's increasing work in support of the 2030 Agenda. It will be channelled through Headquarters and the regional bureaux to support cash-based transfers, gender, monitoring and evaluation, the People Strategy, innovation, change management and programme implementation.

The Secretariat recommends leveraging the principle of "living within one's means" by using USD 35.1 million of Programme Support and Administrative budget funding for country-level costs of operations (such as security and communications costs) incurred for centralized services. This would amount to a substitution of the funding source of such costs in a manner that also avoids cross-subsidization between countries. This approach is consistent with other agencies funding of centralized services. It will lower the Direct Support Costs burden attributable to individual donor contributions, ensuring greater comparability of donor reports. Furthermore, it is consistent with the Secretariat's commitment to maximize the use of all available funding to increase the value-transfer to beneficiaries.

The Programme Support and Administrative budget proposals for 2017 would bring the proposed Programme Support and Administrative budget appropriation to USD 335.4 million. As can be seen in Table 2, the Equalization Account balance at the end of 2016 is anticipated to be at least USD 34 million in excess of the target of five months of expenditure – even allowing for Critical Corporate Initiatives of USD 15 million to be proposed and approved at EB.1/2017.

⁵ WFP/EB.A/2015/6-C/1.

Critical Corporate Initiatives

At its 2015 Annual Session the Board approved the Critical Corporate Initiatives for organizational improvements needing one-time funding from the Programme Support and Administrative Equalization Account. The estimated Programme Support and Administrative Equalization Account 2016 year-end balance of USD 189.2 million provides a USD 68 million surplus for such investments.

The Secretariat proposes to wait until Fit for Purpose is complete before formally presenting Critical Corporate Initiative proposals at the Board's 2017 First Regular Session. However, the Secretariat anticipates putting forward a proposal of USD 15 million to implement the various components of the integrated road map in 2017 and other non-recurring investments, such as the implementation of the integrated road map and investments in strengthening evaluation.

Additional trust funds and resources with few restrictions will be needed to implement the road map. The Secretariat will present prioritized and quantified proposals to donors for resources to cover shortfalls in line with donors' preferences.

Transfer to the Immediate Response Account from the PSAEA

The Secretariat is seeking Board approval to transfer USD 15 million of the PSAEA balance to the Immediate Response Account in 2017. Although the target level for the IRA was increased in 2015 to USD 200 million, donor commitments to this multilateral fund addressing life-threatening situations have not increased despite continuing high levels of demand.

This transfer is proposed as a result of the record level of contributions foreseen for 2016. The forecast balance on the PSAEA at the end of 2017 will still exceed the target level of 5 months.

Cost Excellence

This initiative will continue to improve processes and cost efficiency and to redirect resources to transfers to beneficiaries. WFP will continue to reduce the burden of transactional tasks. Outsourcing and inter-agency collaboration will also be explored. As this work proceeds, it is expected that twenty Programme Support and Administrative posts will be eliminated by the end of 2017 to offset the establishment of Headquarters-based posts related primarily to cash-based transfers.

Advance Financing for Corporate Services

In 2016 the Board approved a USD 82 million ceiling for advances under the Capital Budgeting Facility, the Global Vehicle Leasing Programme and fee-for-service activities,⁶ enabling WFP to provide advances to cost-recovery business services. This financing mechanism is an internal lending instrument in the form of a line of credit, with funds fully recovered from projects or other funds and accounts.

The Capital Budgeting Facility was set at USD 40 million for 2016 for improvements to premises and implementation of the Logistics Execution Support System. The savings from the latter are being used to repay the investment; repayments on premises commenced in 2016. The Secretariat proposes to retain the ceiling of USD 82 million for corporate services advances for 2017.

⁶ WFP/EB.A/2014/6-D/1.

Draft decision*

Having considered WFP's Management Plan (2017–2019) (WFP/EB.2/2016/5-A/1/Rev.2), the Board:

- i. **takes note** that the 2017 Programme Support and Administrative appropriation assumes a funding level of USD 5.2 billion in 2017;
- ii. **takes note** of the projected operational requirements of USD 9.0 billion for 2017 and the prioritization proposals to align this with anticipated funding, as outlined in Section III;
- iii. **approves** a 2017 Programme Support and Administrative appropriation of USD 335.4 million, to be allocated as follows:

Programme support: regional bureaux and country offices	USD 146.0 million
Programme support: Headquarters	USD 53.6 million
Management and administration	USD 135.8 million
Total	USD 335.4 million
- iv. **approves** a transfer from the Programme Support and Administrative Equalization Account of USD 15 million to the Immediate Response Account;
- v. **approves** a single corporate indirect support cost recovery rate of 7.0 percent for 2017; and
- vi. **approves** a ceiling of USD 82 million for corporate services advances from 2017, and looks forward to reviewing this as part of future Management Plans; and
- vii. **authorizes** the Executive Director to adjust the Programme Support and Administrative component of the budget in accordance with a change in the level of the forecasted income for the year, at a rate not to exceed 2 percent of the anticipated change in income.

* 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.

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Section I: Introduction

Reader's Guide

1. The Management Plan (2017–2019) presents a financial summary of WFP's planned programmes for the period, based on the resources it expects to have available.
2. The Plan has been prepared after taking into account the additional USD 3.8 million efficiencies in corporate savings achieved in 2016 resulting from the cost excellence initiative and the results reported in the 2015 Annual Performance Report (APR).
3. This Management Plan is based on the level of anticipated funding, which has been informed by donor discussions around operational needs that have been assessed, country by country, in conjunction with national, regional and local partners. Each country has designed a programme of activities based upon those conversations, which have then been aggregated into a Prioritized Plan of Work (PPoW) presented in Section III of the Management Plan.
4. The Programme Support and Administrative (PSA) activities are presented as a separate budget which, for 2017 as in previous years, is set at a level not higher than the projected level of indirect support cost (ISC) income for the year. In preparing this budget, departmental heads have again reviewed their expenses critically and moved positions and funding within their departments to downsize or to remove certain priorities in order to add new ones or augment others.
5. Each of the five sections of the Management Plan opens with an introduction, which is followed by details. The Executive Summary, draft decisions and the various section introductions explain the flow and logic of the Plan. However, the detailed sections provide the context as well as the Secretariat's rationale and provisions of the Management Plan (2017–2019).

Structure of the Document

6. The Management Plan (2017–2019) consists of the Executive Summary and Draft Decisions followed by:
 - *Section I: Introduction.* This contains a discussion of the global and political context and of WFP's management proposals.
 - *Section II: Funding Context and Resourcing Assumptions.* This analyses the factors affecting anticipated levels of resources for 2017 and explains the resourcing assumptions underlying projected income for 2016.
 - *Section III: Implementation Plan for 2017.* This is aligned with the projected resources for 2017, which was determined at the country office level and reconciled with the projection prepared by the Government Partnerships Division to define the PpoW through a number of different lenses such as by programme category or by tool. The section also contains information about trust funds managed at country offices and trust funds managed by Global Headquarters that relate to operations.
 - *Section IV: Programme Support and Administrative Budget.* This contains the proposal for the 2017 PSA budget required to support the Implementation Plan. The PSA budget is set at a level matching anticipated ISC income for the year. As in previous years, the Strategic Resource Allocation Committee (SRAC) prioritized various investment cases, particularly for areas that have been the subject of Board consideration. The section also explains the proposal to direct an additional USD 35 million to country offices with a view to increasing the value of transfers to beneficiaries by this amount.
 - *Section V: Corporate Services and Business Services; Special Accounts.* This presents the status and proposed use of the USD 82 million corporate services financing mechanism and other special accounts established by the Executive Director.⁷

⁷ Special accounts enable WFP to provide non-profit business services, improve institutional capacities and mobilize country-specific complementary resources for programmes.

Global Economic and Political Context

7. WFP's presence in over 80 countries combined with its low level of discretionary funding – 8 percent in 2015 – create a situation where its plans can be affected by circumstances over which it has little or no control.
8. The following paragraphs outline the upheavals that are expected to deepen the challenges and requirements of 2017 in a decade already characterized by major long-term conflicts and regional spill-over effects, and increased inflexibility and unpredictability in donor funding.
9. It should also be noted that other global developments, such as the emergence of new powers in the Global South, expanding markets, changing relationships between states and markets, and technological innovation, offer new opportunities to end hunger and achieve sustainable development.

Climate

10. The El Niño phenomenon that started in March 2015 ended in May 2016, but its effects continue to stress vulnerable regions. Droughts during 2015/16 in Central America and southern Africa and in Haiti, Ethiopia, the Philippines and Papua New Guinea, for example, have increased the number of people needing assistance. WFP will continue to address these needs until the first quarter of 2017. Recovery in southern Africa will depend on favourable harvests in April and May 2017.
11. A La Niña phenomenon may materialize in late 2016 and could last until late 2017, although it will be a weak event. In southern Africa, La Niña is generally associated with above-average rainfall and improved crop yields: if there are no major floods, the May 2017 harvests could make a significant contribution towards recovery among poor households.
12. In contrast, eastern Kenya and Somalia could experience drought in October–December 2016 and March–May 2017 as a result of La Niña, which would increase humanitarian requirements until late 2017.

Political Instability and Conflict

13. The refugee situation, terrorist attacks and conflict in the Middle East and Eastern Europe contribute to increasing political tensions. And for the first time since 1945 the number of displaced people exceeds 60 million – one in every 113 people is a refugee, or internally displaced, or seeking asylum. Voluntary return rates are at their lowest levels in three decades.
14. The war in the Syrian region has created 4.8 million refugees and displaced 7.6 million people. Conflicts in the Central African Republic, the Democratic Republic of the Congo (DRC), Nigeria and South Sudan also result in forced displacement on a scale only marginally lower than in the Middle East. High rates of malnutrition have been reported in northeastern Nigeria, where 2.2 million people are displaced and 4.3 million are expected to become food-insecure in the 2016 lean season. A further concern is the possibility that the conflict could spread and affect the region.
15. As the number of refugees increases, pressure on host countries grows. Most refugees are hosted in less-developed countries bordering the conflict zones. Turkey hosts 2.5 million registered refugees; Lebanon accommodates 209 refugees per 1,000 inhabitants, more than any other country; and Ethiopia pays most in relation to the size of its economy, with 469 refugees for every United States dollar of gross domestic product.

Economic Change

16. The world economy is sluggish. The prices of energy and metals remain low despite some improvements since the first semester of 2016. The current lull in demand for raw materials and fuel is affecting a number of primary-commodity exporting countries. Many emerging economies are experiencing high depreciation of their currencies against the US dollar – examples include Malawi, Mozambique, Nigeria and South Sudan, where annual depreciation has been more than 25 percent.
17. The FAO Food Price Index averaged 165.6 points in August 2016, 7 percent above its August 2015 level, particularly because of rising sugar, oil and dairy price indices. There is little evidence that the low and stable food prices of today will change anytime soon now that grain stocks have been sufficiently rebuilt to withstand any serious harvest failures with only limited effects on world prices.
18. There are, nevertheless, significant exceptions to the favourable global outlook for grain stocks and food prices: the El Niño-driven harvest failures created havoc in southern Africa, Ethiopia, Haiti and Indonesia, while the combined drought and low export commodity prices in Zambia and Malawi make the situation exceptionally harsh.

International Humanitarian Assistance

19. In 2015 international humanitarian assistance rose for a third consecutive year to a record USD 28.0 billion, an increase of 10 percent from 2014. Of this, 78 percent came from government donors and 22 percent from private donors. Between 2011 and 2015, international humanitarian assistance from governments in the Middle East and North of Sahara region increased by nearly 500 percent to almost USD 2.4 billion. Nonetheless, the funding gap for the United Nations Consolidated Appeals Process rose to 45 percent, the largest to date. The United Nations appeal for Iraq was the best-funded at 74 percent; the appeal for The Gambia was the lowest-funded at 5 percent.

Organizational Context

20. The Management Plan (2017–2019) precedes the implementation of a major redesign of WFP's operating model through the integrated road map. This will impact WFP's governance processes, planning, programme implementation, performance management and the financial framework. This approach reflects the 2030 Sustainable Development Goals (SDGs) and the requirement to ensure that “nobody is left behind”.

Strategic Considerations

21. This Management Plan incorporates some of the transformations to be implemented from 2017 to contribute to the SDG 2 goal of zero hunger by engaging in partnerships with governments, United Nations organizations, the private sector and civil society.

Strategic Plan (2017–2021)

22. The Strategic Plan (2017–2021) is presented a year early to enable WFP to start strategically aligning its approaches with the SDGs as soon as possible. It sets out WFP's intentions for fulfilling its dual mandate of emergency response and long-term development. In accordance with the call for collective action at the 2015 United Nations Sustainable Development Summit, the Strategic Plan (2017–2021) enables WFP to operate effectively as a partner in working towards sustainable development.

Country Strategic Plans

23. The Country Strategic Plan (CSP) operationalizes the WFP Strategic Plan at the country level by establishing a single framework for WFP's approach and planned activities in a given country.

Corporate Results Framework

24. The new CRF links the activities in the CSPs with the SDG Strategic Results. It will enable WFP to report on programme outcomes related to the Strategic Plan and on the effectiveness of its programmatic performance.

Financial Framework Review

25. Each CSP will contain a Country Portfolio Budget (CPB); these are being designed in the budgeting for operational effectiveness workstream of the Financial Framework Review (FFR). The CPB will improve results-based management by focusing on the links between strategic goals and financial planning and between resources and results; it will also foster improved reporting on value for money.
26. These workstreams will enable WFP to be an effective partner in addressing the Zero Hunger Challenge in accordance with the call for more data sharing and analysis and improved planning, programming and financial processes supporting collective outcomes.

Management Principles

27. WFP recognized the need for enhanced accountability and transparency in the Fit for Purpose initiative, which put the people it serves at the heart of everything WFP does; the initiative will end in December 2016.
28. WFP's use of resources is being enhanced through the principle of "cost excellence". This initiative focuses on:
 - analysis of global support costs and achievement of optimum value for money with regard to some overhead costs; and
 - achieving financial savings and procedural efficiencies by redesigning processes, and examining the feasibility of establishing a service centre.

Analysis of Global Support Costs

29. The cost excellence initiative identified areas where WFP could redirect substantial funds to operational needs, with an emphasis on value for money in purchases of goods and services. Direct and indirect cost categories were investigated to identify savings without reducing the quality of services: these cost categories included duty travel, telecommunications and commercial consultancies. In collaboration with cost owners, opportunities for savings were identified. These will be implemented in 2016 and 2017.
30. The 2016 commitment to the Board anticipated that savings of up to USD 3 million were likely to be reflected in the PSA budget. Following the analysis, USD 3.8 million became available for reinvestment. The SRAC endorsed proposals totalling USD 3.8 million for recurring funding for priority operations: USD 1.9 million was re-directed to the country office contingency fund and USD 1.9 million to various priority areas such as the maintenance of the cash-based transfer (CBT) platform.

Process Transformation

31. Efforts around cost excellence initiated with the exploration of a service centre. While analysis showed that a service centre could deliver financial benefits, these were not compelling enough to justify a physical relocation. At the same time, potential efficiency and effectiveness gains through process transformation were identified, which management will continue to pursue to help reduce the burden of transactional tasks, particularly on field offices. These process improvements involve the functional areas of finance, management services, human resources, supply chain and information technology. The scope will potentially include additional functional areas in the future. As part of work on improving its processes, WFP will explore whether the identified processes can be carried out more cost-effectively and efficiently through collaboration/outsourcing with other United Nations agencies and external actors. Opportunities for increasing inter-agency collaboration are also being pursued through consultation, particularly regarding the scope of existing service centres, with the intention of learning from best business practices implemented by other agencies.

32. As WFP undergoes further transformation to contribute to the achievement of Zero Hunger by 2030, WFP will build and reinforce staff capacities regarding important initiatives (e.g. CBTs, WFP's beneficiary and transfer management platform (SCOPE), Logistics Execution Support System (LESS)). These strengthening efforts in key areas will be pursued throughout 2017.
33. At the same time, the ongoing cost excellence exercise presents a unique opportunity for WFP to review current processes, redistribute resources and shift and re-profile positions in Headquarters and the field, enabling WFP to do more with less.⁸ The outcomes of these efforts will be presented to the Executive Board at the end of 2017.
34. Process re-engineering efforts will require additional financial investments. These will be quantified and formally presented to the Executive Board for approval as part of discussions on the critical corporate initiatives at its First Regular Session in February 2017.

⁸ See Section IV: "Programme Support and Administrative Budget" Table IV.6

Section II: Funding Context and Resourcing Assumptions

Overview

35. This section provides an overview of the financial context and assumptions supporting WFP's 2017 revenue forecast of USD 5.2 billion, including trust fund and Immediate Response Account (IRA) income. The forecast is based on donor positions and trends and reconciled with local funding projections for each project in each country, which are aggregated to form the basis of the Management Plan.
36. This section also highlights the importance of flexible and predictable funding for WFP, to optimize the impact of its operations by ensuring that beneficiaries receive maximum support.
37. Because many of WFP's operations are emergency responses, and because the Management Plan has to be prepared six months before the beginning of the budget period, unforeseen needs will almost certainly change the pattern and volume of the anticipated funding.

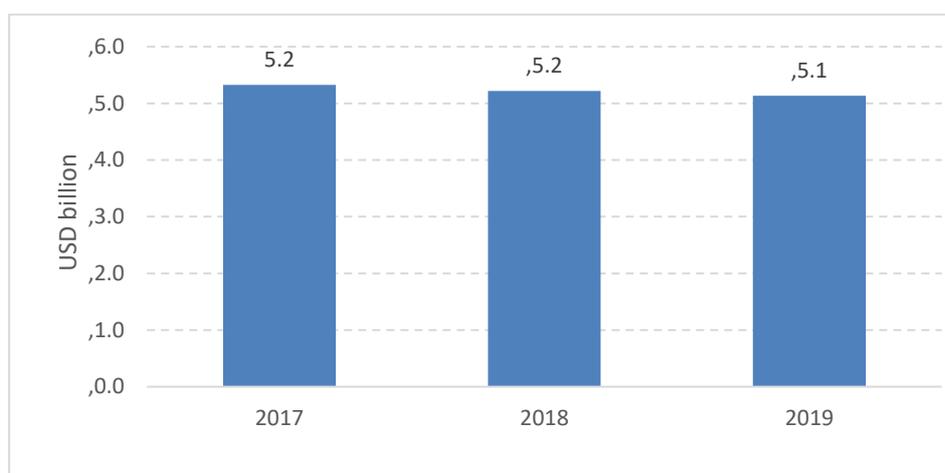
Keeping Pace with Global Trends

38. The 2030 Agenda and its 17 Sustainable Development Goals (SDGs) point to the importance of WFP's efforts as part of the United Nations system to work towards greater coherence, transparent needs-based allocation of humanitarian funding, clarity as to the purpose to which contributions are devoted, and greater diversification of the funding base. The effectiveness of WFP's work to achieve the SDGs will be greatly enhanced if planning is based on more predictable funding that can be used in a flexible and transparent manner in order to achieve agreed outcomes.
39. Recognizing the interlinkages between humanitarian and development interventions, WFP is developing new approaches that meet the changing nature and scope of both emergency and development challenges, with the aim of reducing humanitarian needs in the long term as the SDGs are realized.
40. WFP is shifting from short-term project-specific interventions to long-term results and outcomes. This is at the heart of the Integrated Road Map, which will allow WFP to demonstrate clearly how its operations offer value for money and will inform prioritization of programme needs in order to facilitate resource mobilization.
41. By early June 2016, global humanitarian financial requirements had increased from USD 18.8 billion to USD 21.6 billion.⁹ At mid-year, however, actual funding for humanitarian assistance was USD 5.5 billion – 25 percent of requirements: this means that 35.1 million people in need of humanitarian assistance may receive nothing, and 95.4 million may receive only inadequate support.

WFP Funding Trends: 2017–2019 Forecast

42. On the basis of analysis of trends among donors, resource levels for 2016 are expected to equal the highest level ever of USD 5.6 billion; this includes trust funds. On the basis of strong indications for 2017, WFP is confident of achieving the relatively high funding level of USD 5.2 billion. Assuming that WFP's requirements remain similar to recent levels, and in the absence of further specific indications for 2018 and 2019, contributions for these years are expected to remain around the level projected for 2017.

⁹ Office for the Coordination of Humanitarian Affairs (OCHA). *Global Humanitarian Overview 2016*. Available at: <http://www.unocha.org/2016appeal/mid-year/>

Figure II.1: Three-year funding forecasts

Effects of Currency Fluctuations on WFP Income

43. WFP is exposed to potential losses when forecast contributions in non-USD currencies are received, because exchange rates may vary between the date of confirmation of a contribution and actual receipt of the funds.
44. During the period 2012–2014 WFP’s largest annual exposure with regard to the euro, the Canadian dollar and the British pound combined – which account for 76 percent of non-USD contributions – was 3.9 percent,¹⁰ with exposure to losses for the euro alone up to 7.2 percent of annual receipts. The maximum annual exposure was approximately USD 56 million. WFP could reduce its exposure through currency hedging, but the approach is not considered to be viable as uncertainty as to the timing of receipt of pledged funds limits its effectiveness.

Possible Effects of “Brexit” on WFP Income

45. In 2013 the United Kingdom became the first G7 country to meet the United Nations target of allocating 0.7 percent of annual gross national income to official development assistance. This commitment became law in 2015.
46. The United Kingdom is one of the largest direct contributors to WFP and a significant contributor to the humanitarian and development budgets of the European Union. In light of “Brexit”, the Secretariat is monitoring the situation, including the potential impact of exchange rate fluctuations.
47. While there is some uncertainty as to the timeframe and outcome of the negotiations and decisions by the Government of the United Kingdom with regard to the continued allocation of funding the forecast contribution figures presented above are not adjusted to reflect changes related to Brexit.

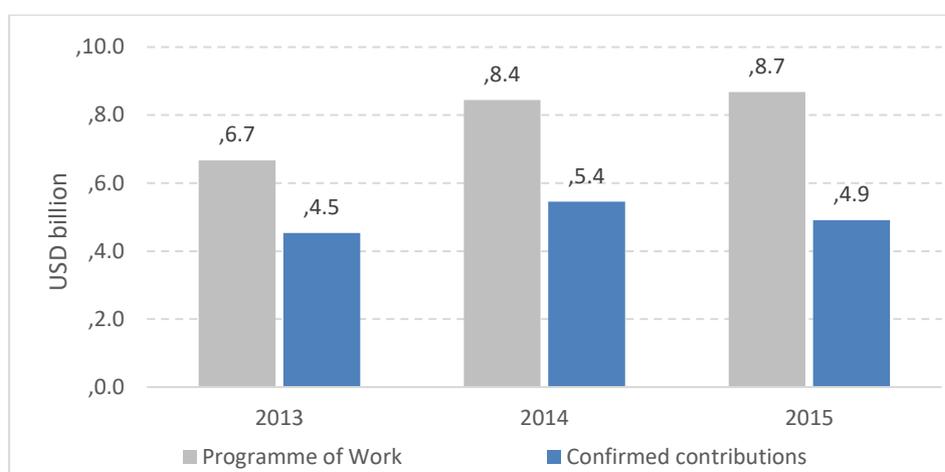
Keeping Pace with Needs – WFP Contribution Trends

48. WFP constantly seeks optimum efficiency in its responses to prolonged emergencies, but needs continue to grow. The assessed operational requirements for 2017 are now USD 9.0 billion, 5 percent more than the record high for 2016, with the anticipated reduced funding gap of 40 percent lower than last year’s 46-percent gap. The relative stability of needs is a result of unchanged requirements for Level 3 emergencies, which account for half of WFP’s needs.

¹⁰ Of the non-USD amounts received in 2014.

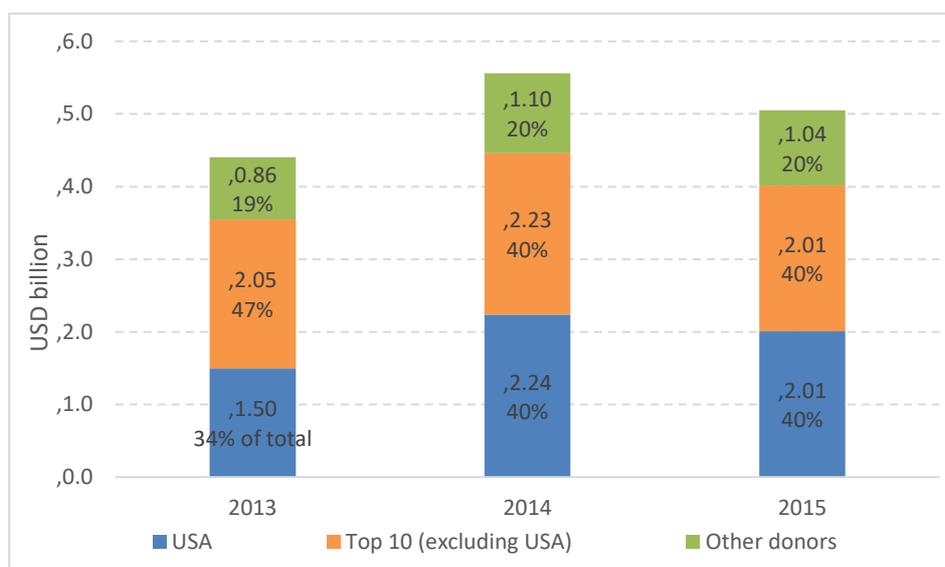
49. WFP received its second-highest annual level of confirmed contributions in 2015 – USD 4.9 billion.¹¹

Figure II.2: Programme of Work and confirmed contributions, 2013–2015



50. Contributions from the top ten donors were constant in 2013–2015 at 80 percent of total confirmed contributions. Since 2014 the proportion of total contributions confirmed by WFP's largest donor has increased from 34 percent to 40 percent. The percentage contribution of the remaining top ten donors decreased correspondingly from 47 percent to 40 percent, partly as a result of the appreciation of the US dollar in 2015.

Figure II.3: Donors to WFP by value of contributions and percentages of total (2013–2015)



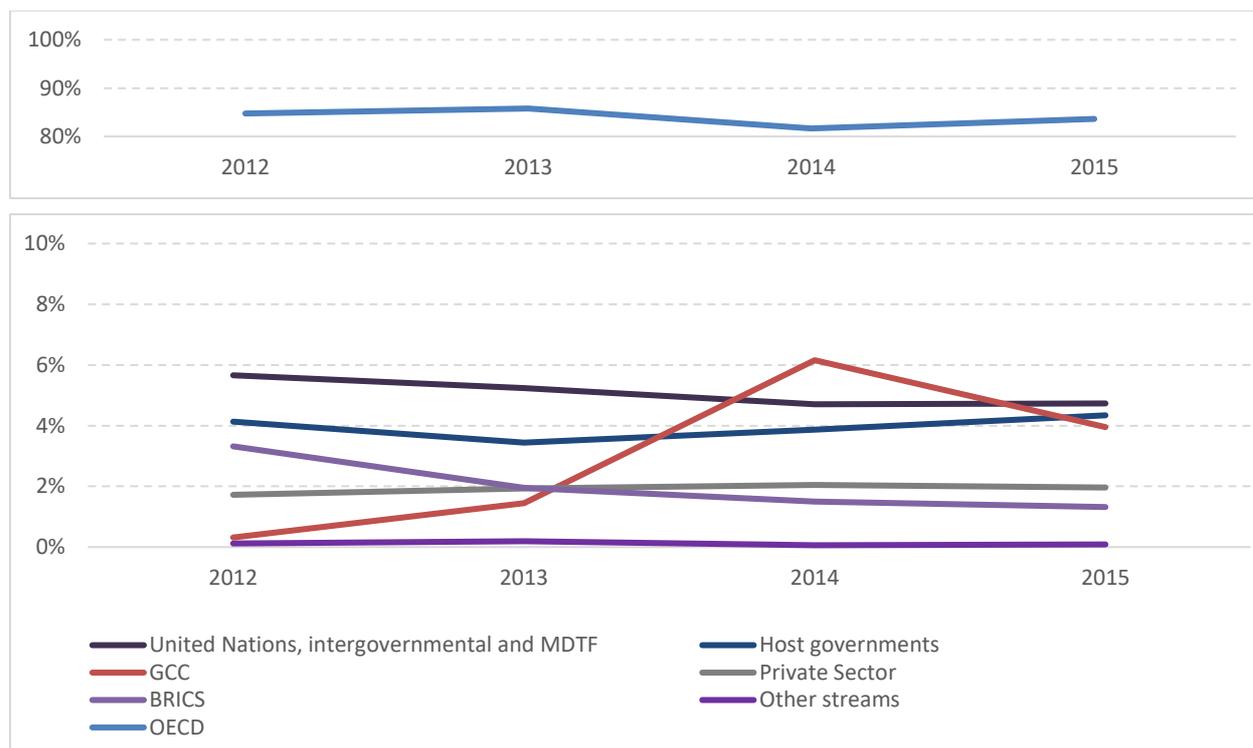
Host Governments and Expanding the Donor Base

51. The USD 220 million provided by host governments in 2015 – the largest amount ever – reflects their growing commitment to WFP. These countries will be encouraged to become regular donors through twinning in the short term, with a view to meeting full-cost recovery from their own resources in the long term.

¹¹ WFP's financial statements currently recognize contribution revenue, including multi-year contributions, when confirmed in writing.

52. The percentages of contributions in the Gulf region are shown in Figure II.4, reflecting both the effectiveness of WFP's investment and the scale of emergencies in the region. The small decrease from 2014 to 2015 reflected regional economic and political changes.

Figure II.4: Contribution levels for various donors (2012–2015)



BRICS: Brazil, Russian Federation, India, China and South Africa.

GCC: Gulf Cooperation Council.

MDTF: Multi-donor trust funds.

OECD: Organisation for Economic Co-operation and Development.

53. WFP is also pursuing innovative funding opportunities such as micro-donations to help address global food security. ShareTheMeal is an initiative of WFP and the ShareTheMeal app is the world's first app against global hunger, enabling people to donate cash quickly and easily through their mobile phones.

Harmonization of Private-Sector Indirect Support Cost Recovery Rate

54. As competition for private-sector funding increases, WFP has become less competitive than other United Nations agencies that have harmonized their private-sector and public-sector indirect-cost recovery rates. The Secretariat proposes aligning WFP's ISC rate for private-sector contributions, currently 10 percent,¹² with the public-sector rate, which is 7 percent.
55. The impact on ISC income of a reduction in ISC rate from 10 percent to 7 percent is estimated to be less than USD 3 million. The calculation takes into account that the rate for existing multi-year private-sector contracts will continue to be 10 percent. Over the longer term, it is expected that the reduction in ISC rate would lead to an increase in private-sector contributions which would compensate for the reduction in ISC income arising from the lower rate. The reduction in ISC rate would also contribute immediately to a corresponding increase in value transfer to beneficiaries. Substantial capacity development and technical assistance provided by a number of private-sector donors is also considered a unique contribution to WFP's activities, which will be quantified in future, where possible.

¹² "Method for Determining the Indirect Support Cost Rate For WFP" (WFP/EB.2/2014/5-D/1)

Flexible and Predictable Funding

56. Softly earmarked contributions to WFP exceeded USD 420 million in 2015, which was 8 percent of total funding. While as a percentage this was consistent with the last few years, in absolute terms it was a reduction from 2014 of USD 30 million.
57. The rise in the value of the US dollar had a significant negative effect on WFP's softly earmarked contributions and multi-year revenue because most donors of such contributions do so in non-USD denominations. The effect was particularly noticeable in 2015: WFP would have received an additional USD 44 million in softly earmarked contributions and USD 16 million in multi-year contributions if contributions had been confirmed when the average exchange rate was similar to that of 2014.
58. To increase the predictability of funding, WFP and several donors have signed multi-year contribution arrangements and Strategic Partnership Agreements (SPAs). In 2016 WFP renewed SPAs with Ireland, New Zealand and Norway and welcomed Denmark and Iceland to the group. Multi-year contribution arrangements with Australia, Finland, Luxembourg, the Republic of Korea and the Russian Federation have continued in 2016. The United Kingdom has brought forward its SPA for one year while negotiations on a future agreement continue.¹³

Figure II.5: SPA donors (2012–2020)

Donor with SPA	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia									
Canada*									
Denmark									
Finland									
Iceland									
Ireland									
Luxembourg*									
New Zealand									
Norway									
Republic of Korea									
Russian Federation									
United Kingdom									

* To be confirmed.

Light green = past SPAs.

Dark green = current SPAs.

Yellow = being negotiated or finalized.

¹³ Status of SPAs as at September 2016. SPAs are multi-year contribution agreements covering all or a significant portion of a donor's engagement with WFP. They are considered separately from stand-alone multi-year contributions.

59. Contributions with long duration also enable WFP to plan and procure food more effectively and flexibly. The proportion of contributions with a duration of more than a year, including multi-year contributions, decreased from 72 percent in 2014 to 67 percent in 2015. This is a trend that WFP will continue to monitor as tight timelines on contributions constitute a serious reduction in flexibility and increase transaction costs considerably.
60. Contributions that could be used to repay advances¹⁴ decreased from USD 2.4 billion in 2014 to USD 2.2 billion in 2015 – 42 percent of all contributions. Impacts of the decrease include:
- lost opportunities for savings: food cannot be procured when costs are low, such as immediately following harvests, or pre-positioned to minimize transport costs when roads are unusable;
 - pipeline breaks for food and cash-based transfers: in long-term activities such as nutrition, initial investments are wasted if assistance cannot be continued; and
 - increased transaction costs: in the absence of assured funding, short-term – and hence less efficient – commercial and employment contracts have to be used.
61. According to the financial tracking system of OCHA, WFP was the top recipient of OCHA funding in 2014 and 2015, receiving over 20 percent of its humanitarian aid. For most of its top donors, WFP is the partner of choice for delivering humanitarian assistance.

TABLE II.1: WFP IN OCHA'S FINANCIAL TRACKING SYSTEM

WFP top donors	WFP's ranking for this donor in 2014	WFP's % of donor contributions in 2014	WFP's rank for this donor in 2015	WFP's % of donor contributions in 2015
United States of America	1	27	2	21
United Kingdom	1	16	1	16
Germany	1	22	1	27
Canada	1	30	1	27
European Commission	1	14	1	15
Japan	2	21	2	18
Saudi Arabia	1	33	1	28

Immediate Response Account

62. The IRA is an essential source of immediate funding to mitigate pipeline breaks in life-threatening situations or in sudden-onset emergency responses. The Secretariat has not been able to increase donors' commitment to this thematic and replenishable emergency response facility, although it is a compelling option for potential donors wishing to provide softly earmarked funding in view of its life-saving potential.
63. The Secretariat continues to appeal to donors to provide funding for the IRA. On its part, the Secretariat is recommending approval of a proposal to transfer USD 15 million of PSAEA surplus, generated from a late surge in contributions for 2016, to the IRA. This would not negatively impact the target balance of the Programme Support and Administrative Equalization Account.

¹⁴ Officially referred to as Internal Project Lending (IPL).

Section III: Implementation Plan for 2017

64. The Implementation Plan is the aggregation of all countries' planned activities based on funding projections. It combines the prioritized plan of work, country-specific trust funds and corporate trust funds that support activities at the country or regional level. Table III.1 shows the implementation plan for each region; WFP foresees an implementation plan of USD 5.50 billion for 2017, of which USD 5.38 billion is for the prioritized plan of work and USD 117 million for trust funds.

TABLE III.1: REGIONAL IMPLEMENTATION PLAN (USD million)*			
Regional bureau	Prioritized plan of work	Trust funds	Total
Bangkok	401	21.4	422.4
Cairo	2 292	7.7	2 299.7
Dakar	676	3.5	679.5
Johannesburg	524	21.2	545.2
Nairobi	1 403	13.5	1 416.5
Panama City	88	27.8	115.8
Subtotal	5 385	95.2	5 480.2
Corporate trust funds related to field activities	n/a	21.4	21.4
TOTAL	5 385	116.6	5 501.6

* Figures include ISC.

Prioritized Plan of Work¹⁵

65. The prioritized plan of work for 2017 aggregates the resource-based plans for each operation, with beneficiary numbers, ration sizes and the duration of assistance aligned with anticipated funding and donors' preferences. The section also outlines the potential effects of funding shortfalls. The daily ration is the unit of analysis because it enables more accurate measurement of food-assistance costs than beneficiary numbers did.
66. Operational requirements for 2017 – aggregated needs determined by WFP's food-security and nutrition assessments – amount to USD 9.0 billion, of which USD 600 million is ISC. This would provide 21.5 billion daily rations for 85 million beneficiaries through 143 projects in 77 countries; if trust funds are included there are 195 projects in 81 countries.
67. The 2017 funding forecast, which is based on expectations and donor preferences, is USD 5.2 billion. The prioritized plan of work totals USD 5.4 billion, which would provide 16.5 billion daily rations for 68 million beneficiaries, of whom two thirds are women and children. The prioritized plan of work figure is higher than the forecast because there is expected to be some carry-over of uncommitted contributions at the beginning of 2017.
68. The prioritized plan of work for 2017 anticipates a 40-percent shortfall in meeting the assessed requirements. This is less than the 46-percent gap in the Management Plan (2016–2018), which shows how prioritization of activities in terms of projected funds has enabled WFP to plan more accurately and achieve value for money.
69. The 2017 prioritized plan of work amounts to USD 5.4 billion, a 16 percent increase from 2016, largely attributable to donors' continuing commitment to the Level 3 emergency responses in the Middle East, along with the new El Niño Level 3 emergency in southern Africa. Even though overall income is projected to increase, there are some budget decreases from the 2016 prioritized plan, for

¹⁵ Figures in this section include ISC and trust funds unless stated otherwise.

example in Iraq and in the Niger, due to the security and operational challenges constraining WFP to fully implement programmes, and reduce, when required, beneficiary numbers, rations or assistance days.

70. The prioritized plan of work assumes that restricted contributions will be earmarked at the project level unless otherwise stated, providing flexibility for prioritization at the activity level.
71. The projected average weighted daily ration cost in the 2017 prioritized plan of work is USD 0.30, very close to the USD 0.31 noted in the 2015 Annual Performance Report (APR) and USD 0.33 in the Management Plan (2016–2018). The lower cost is partly accounted for by increases in the planned number of beneficiaries and rations. The average masks a range of costs, however, depending on type of intervention (see Table III.2).
72. The assessed operational requirements for 2017 and 2018 (Annex III) continue as the basis for WFP’s commitment to taking into account the needs of the most vulnerable.

Cost and Reach of Food Assistance

73. WFP’s activities will indirectly assist many more people than the planned 68 million beneficiaries of direct transfers in 2017. WFP estimates¹⁶ that millions more will benefit from improved social infrastructure and community assets. In 2015, an additional 13.5 million people benefited directly from community related improvements, and a further 2 million benefited from nutrition messaging and counselling programmes. It is also expected that more than 1 million smallholder farmers will continue in programmes to enhance marketing skills.¹⁷
74. Resource-based projections indicate 10.1 million food assistance for assets (FFA) tier-one beneficiaries. From 2017, WFP will progressively attempt to estimate the number of FFA tier-two beneficiaries as well. Preliminary resource-based projections indicate that an estimated 13.1 million individuals will have the potential to access, benefit from or be protected by the assets created or rehabilitated through FFA in 2017.
75. WFP is increasingly helping to develop the capacities of governments through technical assistance in the design of national safety-net programmes. It is difficult to determine the number of “beneficiaries of changed policies and practices”, but WFP is committed to providing examples¹⁸ of its contribution to improving the lives of the world’s 795 million¹⁹ undernourished people.
76. The Management Plan (2017–2019) takes into account the anticipated effects of funding projections on the content and cost of rations for direct beneficiaries of WFP’s assistance. Compared to assessed needs, each country adjusts its interventions to develop a prioritized plan aimed at maximizing value for money, minimizing negative effects on beneficiaries and meeting donors’ conditions. Programme managers must factor this information into decisions about prioritization: the options include discontinuing a range of interventions and reducing the numbers of people receiving assistance, daily ration sizes or the duration of assistance. Such prioritizations may reduce beneficiary numbers by 20 to 30 percent in some activities, but the duration of assistance is generally maintained.
77. Analysis of cost per ration varies in different programmes, but the average projected weighted cost is lowest at USD 0.2 in development programmes and highest at USD 0.4 in emergency operations (EMOPs). Efficient use of funds is essential in all operations, but costs in emergencies are likely to be higher than in non-emergency contexts.²⁰

¹⁶ The estimation method includes people who will benefit from access to assets created or repaired through FFA.

¹⁷ Based on figures in the 2015 APR for people assisted by WFP.

¹⁸ The 2015 APR noted that 30 million people benefited from WFP-supported national programmes in India and Peru.

¹⁹ FAO/IFAD/WFP. 2015. *The State of Food Insecurity in the World: Meeting the 2015 International Hunger Targets: Taking Stock of Uneven Progress*. Rome. Available at: <http://www.fao.org/3/a-i4646e.pdf>

²⁰ WFP/EB.2/2011/5-E/1.

78. Table III.2 shows the cost per ration per activity by programme category.

Activity	Cost per ration (USD)
General distributions	0.24
Nutrition programmes	0.34
HIV/AIDS and tuberculosis	0.25
Food assistance for assets	0.30
School meals	0.28

* Based on 1,000 kcal base units as in the Management Plan (2016–2018).

79. General distributions are the main activity in emergency settings, but the proportion of nutrition activities is increasing in line with WFP's commitment to ensuring access to nutritious food all year round and particularly during crises. Some costs will increase as a result, particularly with regard to the production of specialized nutritious foods and the transport and storage systems required to ensure that they retain their micronutrient content. This change contributed to the higher cost per ration for emergencies than that in the Management Plan (2016–2018).
80. In protracted relief and recovery operations (PRROs) it is expected that 72 percent of daily rations in the prioritized plan of work will be distributed through general distribution, 12 percent through nutrition programmes, 8 percent through FFA activities, and 7 percent through school meals. In development projects (DEVs), school meals account for 81 percent of planned daily rations, nutrition for 14 percent and HIV/AIDS and FFA and food assistance for training (FFT) for 5 percent.

Analysis by Strategic Objective and Activity

81. Table III.3 shows the prioritized plan of work by Strategic Objective and activity.

Activity	Strategic Objectives				Total
	1	2	3	4	
General distribution	3 146	99	151	-	3 396
FFA	54	280	176	4	514
FFT	8	16	13	7	44
Nutrition – prevention	137	85	21	69	312
Nutrition – treatment	106	23	-	91	220
School meals	11	163	83	220	477
HIV/tuberculosis (TB)	3	2	2	11	19
Capacity development and augmentation	185	75	47	96	403
TOTAL	3 651	744	493	497	5 385

82. Figures III.1 and III.2 show the prioritized plan of work by Strategic Objective and activity for 2017 in percentage terms.

Figure III.1
Prioritized plan of work by Strategic Objective

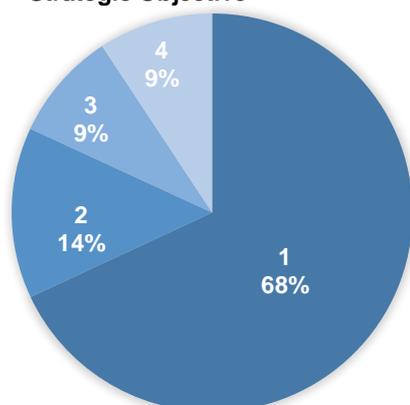
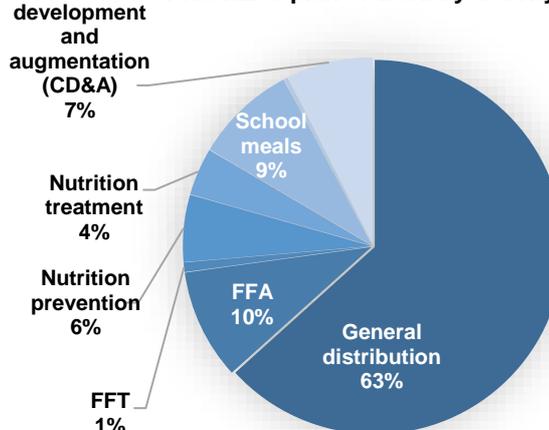


Figure III.2
Prioritized plan of work by activity



83. Strategic Objective 1 accounts for the largest portion of the prioritized plan of work at USD 3.7 billion – 68 percent – compared with USD 3.1 billion and 66 percent in 2016. The increase is largely related to increased requirements for the Level 3 emergencies, which account for 87 percent of the total Strategic Objective 1 amount budgeted under these operations.
84. Strategic Objective 2 accounts for USD 744 million – 14 percent – an increase of USD 243 million from 2016. Strategic Objective 3 accounts for USD 493 million – 9 percent – an increase of USD 9 million from 2016. Strategic Objective 4 accounts for USD 497 million – 9 percent – a decrease of USD 99 million from 2016.
85. Under Strategic Objective 1, general distributions account for USD 3.1 billion in the 2017 prioritized plan of work, an increase of USD 485 million from the 2016 plan. This is largely because general distributions account for 79 percent of planned Level 3 emergency responses.

Asset creation and livelihood support

86. Compared with the 2016 plan, FFA accounts for USD 22 million more in this prioritized plan of work, school meals for USD 51 million more, and capacity development and augmentation for USD 64 million more. Nutrition interventions – the second largest activity at USD 532 million – account for USD 48 million less than in the 2016 plan.
87. In accordance with its 2015 policy on building resilience for food security and nutrition,²¹ WFP and its partners will address the underlying causes of food insecurity and malnutrition: FFA will continue to be central to such programmes to enable vulnerable families to meet their food needs and build up assets to minimize disaster risks and enhance livelihoods and resilience. The Rome-based agencies and other stakeholders will continue their collaboration to improve food security and nutrition in joint country-level initiatives.
88. In protracted crises and early-recovery situations, FFA will continue to be used to support food security and nutrition with a view to providing a basis for sustainable long-term resilience programming and subsequent reconstruction and rehabilitation.
89. With its partners, WFP will continue to enhance capacities for asset-creation programmes. This will be supported by the updated FFA guidance manual issued in July 2016.

²¹ “Policy on Building Resilience for Food Security and Nutrition” (WFP/EB.A/2015/5-C).

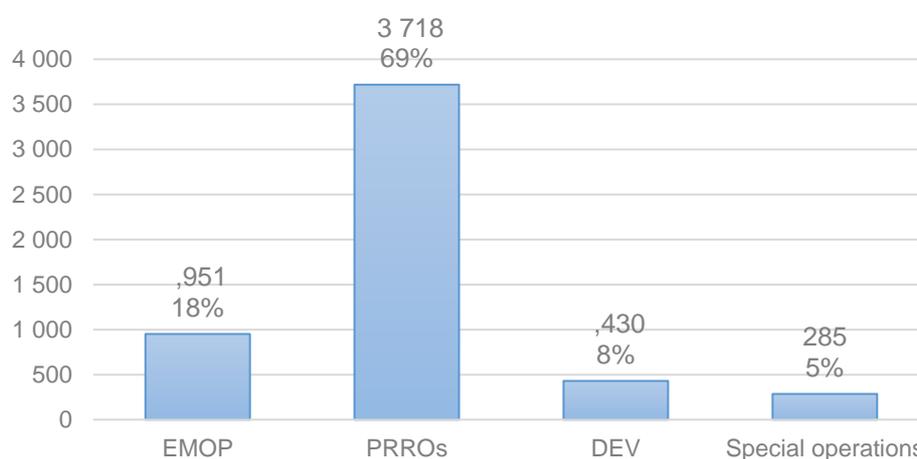
Nutrition

90. Nutrition activities account for 10 percent of the total prioritized plan of work. Most nutrition activities are implemented under Strategic Objectives 1 and 4. Only USD 532 million, including ISC, is expected to be funded even though 25 percent of children are chronically malnourished. There is an urgent need for a comprehensive package of nutrition interventions.
91. Other WFP programmes are being modified to enhance nutritional effects: nutrition-sensitive social-protection programmes are being developed to increase dietary diversity by providing access to fortified foods in general distributions and to utilize behaviour-change communications in CBT programmes to enhance daily diets. The cost of these interventions is not reflected in the prioritized plan of work for nutrition operations.

Analysis by Programme Category

92. Figure III.3 presents the prioritized plan of work by programme category.

Figure III.3: 2017 prioritized plan of work by programme category (USD million)



93. As in 2016, PRROs are the largest programme category: they account for USD 3.7 billion – 69 percent of prioritized resources – of which operations in Ethiopia, the Syrian region and the Sudan account for 30 percent. The number of PRROs is 73 percent higher than in the 2016 plan, largely because some EMOPs have been reclassified. This is also reflected in the decrease in EMOP requirements from USD 1.8 billion in 2016 to USD 951 million in 2017.
94. In the 2017 prioritized plan of work, DEVs account for 8 percent of the total prioritized plan of work, USD 1.2 million less than in 2016. Special operations, on the other hand, will increase by USD 34 million – 13 percent. WFP's largest special operations continue in DRC, Somalia and South Sudan, which together account for 54 percent of planned special operations.

Analysis by Type of Transfer

95. WFP currently has four modalities for delivering assistance through: in-kind food, commodity vouchers, cash-based transfers and capacity development and augmentation.²² Table III.4 shows the prioritized plan of work by type of transfer.

²² See Annex VI.

TABLE III.4: 2017 PRIORITIZED PLAN OF WORK BY TYPE OF TRANSFER, INCLUDING ASSOCIATED COSTS		
Type of transfer	USD (million)	%
In-kind food and related DOC* and LTSH**	2 806	56
CBTs and related DOC	1 149	23
<i>Cash and related DOC</i>	425	
<i>Value voucher and related DOC</i>	724	
Commodity vouchers and related DOC	120	2
Capacity development and augmentation	339	7
DSC***	619	12
TOTAL	5 033	100
ISC	352	
GRAND TOTAL	5 385	

* Direct operational costs.

** Landside transport, storage and handling.

*** Direct support costs.

96. Food and related DOC and LTSH amount to USD 2.8 billion. Operations in Ethiopia, South Sudan, the Syrian region and Yemen account for 48 percent of planned food transfers.

Cash-based transfers and commodity vouchers²³

97. Cash-based transfers and commodity vouchers²⁴ have increased by 11 percent from the 2016 plan. Operations for Syrian refugees and Yemen are expected to use the most CBTs and commodity vouchers, accounting for 49 percent of the prioritized plan of work.
98. CBTs, which consist of value vouchers/cash transfers and related DOC, account for USD 1.15 billion – 23 percent of the prioritized plan of work. Of the planned USD 1.15 billion for CBTs, USD 0.72 billion will be provided as value voucher and USD 0.43 billion as cash transferred through financial service providers.
99. Out of the total USD 425 million of “cash and related DOC” transfers, 64 percent will be unconditional cash transfers, provided primarily through general distribution activities. The remaining 36 percent will be provided as conditional cash transfers through other activities, mainly FFA and school meals.
100. The Syrian regional PRRO²⁵ is expected to use the largest share of CBTs in 2017 – USD 599 million: this is higher than the figure in the 2016 plan but it is offset by anticipated reductions in funding and CBT activities in Iraq, Nepal and Yemen.
101. General distribution of CBTs is expected to account for USD 874 million; the second largest activity using CBTs is FFA, at USD 198 million. In terms of programme categories, the largest share of CBTs – USD 1 billion – will be delivered through PRROs.
102. The number of CBT beneficiaries increased from 1 million in 2009 to 9.6 million in 2015. The use of CBTs increased from 26 operations in 19 countries in 2009 to 84 operations in 54 countries in 2016.

²³ Figures in this section exclude DSC and ISC, and in certain cases LTSH.

²⁴ Commodity vouchers were not planned separately for 2016.

²⁵ The Syrian Arab Republic and five neighbouring countries.

103. While WFP expects to see steady growth in the use of CBTs in its field operations, it is also working with about 20 country offices where it is believed that there is room for significant growth in the use of CBTs. The results of this exercise should translate into additional growth in 2017.
104. Making the best-effect use of cash-based programmes depends on trained staff and partners and a standard system that everyone can use. Since 2015, WFP has provided CBT training for staff in all functional areas in all regions and to some 150 staff working for external partners.
105. In accordance with its commitment in 2015, the Secretariat has deployed new CBT tools. Common delivery mechanisms were enhanced in the first half of 2016 through a global tender, which resulted in long-term agreements with financial and technical partners with a view to ensuring global reach, at scale. These partners also helped to: i) reduce CBT lead times; ii) enable changes of modality to reflect market conditions and beneficiary needs; iii) reduce delivery costs; and iv) standardize processes to reduce liability and risks. As a result, country offices can work with local counterparts to optimize CBTs as a basis for improving food security and nutrition.
106. WFP is now using commodity vouchers as a stand-alone modality separate from in-kind transfers and CBTs. They can be converted easily to CBTs to expand beneficiary choice. Commodity vouchers and related direct costs, excluding ISC, amount to USD 120 million – 2 percent of the prioritized plan of work in 2017. The Yemen EMOP will use the most, accounting for USD 102 million; the value of commodity vouchers to be delivered through EMOPs is expected to be USD 118 million.

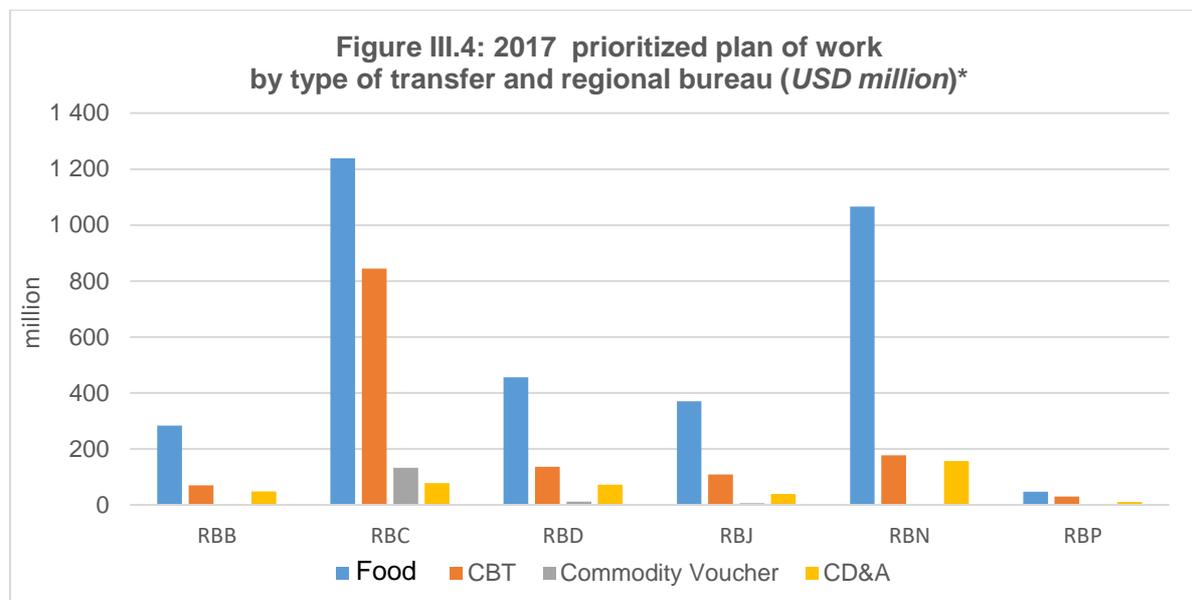
Capacity development and augmentation

107. Governments are increasingly requesting technical assistance from country offices in establishing innovative approaches to improve food security and nutrition: the achievement of SDG 2 depends largely on WFP's capacities in this respect. Resources must therefore be allocated to the enhancement of national capacities and engagement with governments to scale activities up to achieve zero hunger.
108. Capacity development and augmentation accounts for 7 percent of the prioritized plan of work. DRC, Somalia and South Sudan account for 41 percent of this modality.
109. Table III.5 shows the prioritized plan of work by activity and type of transfer.

TABLE III.5: 2017 PRIORITIZED PLAN OF WORK BY ACTIVITY AND TYPE OF TRANSFER (USD million)*				
Activity	Food and related DOC	CBT and related DOC	Commodity vouchers and related DOC	Capacity development and augmentation
General distribution	1 845	874	115.3	-
FFA	200	198	1.3	-
FFT	10	24	0	-
Nutrition – prevention	238	8	2	-
Nutrition – treatment	167	0	-	-
School meals	331	45	1.1	-
HIV/AIDS and tuberculosis	14	0	0	-
Capacity development and augmentation	-	-	-	339
TOTAL	2 806	1 149	120	339

* Excluding DSC and ISC.

110. CBTs and commodity vouchers will be distributed mainly through general distributions and FFA; nutrition and school-meal activities will mainly use food transfers.
111. Figure III.4 shows the prioritized plan of work by type of transfer and regional bureau.



* Including DSC and ISC, but excluding trust funds.

112. The regional bureau that uses the most in-kind food, CBTs and commodity vouchers – accounting for 43 percent of the prioritized plan of work – is Cairo. CBTs, the second largest transfer modality, account for 23 percent of the total prioritized plan of work: this reflects WFP’s investment in tools that enable country offices to adopt modalities according to beneficiary needs. The East and Central Africa region has the largest share of capacity development and augmentation and the second highest share for all modalities.

Analysis by Thematic Area

113. The 2030 Agenda will be implemented at the country level. WFP will work with national stakeholders and United Nations country teams to determine the best ways to support national strategies for achieving zero hunger: this will involve making links and aligning with countries’ strategies for sustainable development. The core of the Strategic Plan (2017–2021) will be the country strategic planning approach, whereby strategic reviews are undertaken to support preparation of CSPs.
114. To implement the 2030 Agenda WFP’s objectives are to: i) support countries in their progress towards zero hunger; ii) operationalize the Strategic Plan (2017–2021) at the country level, including emergency responses; and iii) maximize the coherence and effectiveness of WFP’s assistance and partnerships to address food insecurity and malnutrition. WFP will expect its partners to adhere to its core principles and fulfil its expectations of transparency and accountability.
115. Selected thematic areas that will shape WFP’s operations in 2017 include emergency and transition programming, food security and nutrition analysis, social protection and safety nets, climate and disaster risk reduction, linking smallholders with markets, South–South and triangular cooperation, nutrition, gender, and monitoring and evaluation.

Emergency and transition programming

116. In response to evaluations, audits and policy reviews, WFP will enhance its programmes in emergency and transition settings, giving particular attention to six interrelated, areas: protection, accountability to affected populations, forced displacement, urbanization, humanitarian access and peacebuilding. Guidance will be developed, and Country Directors, Deputy Country Directors, Heads of Programme and emerging programme leaders will be trained through the Investing in

Programme Excellence Learning Journey. A sustainable support system for country offices will be developed.

117. Protection and accountability to affected populations will be integrated into WFP's work through field support, guidance and preparations for an evaluation of the protection policy. A joint project on principled humanitarian access with the field security, supply chain, and emergency preparedness and support response divisions will support country offices in complex operational environments.
118. Following approval of the peacebuilding policy,²⁶ Headquarters divisions will support country offices to do conflict-sensitive programming. WFP will continue to partner with the Office of the United Nations High Commissioner for Refugees (UNHCR) in promoting refugees' self-reliance on the basis of pilots in Chad, South Sudan and Uganda. WFP will also update its policy and guidance for programming in urban settings.

Food security and joint assessments

119. WFP will continue to use needs assessments, market assessments and economic analysis to prioritize its assistance. Its consolidated approach to reporting on food-security indicators is an example of recent improvements in terms of standardization and comparability among countries. WFP is also studying the multiplier effects of humanitarian assistance on local economies, revising its market analysis system to support market-based responses and exploring the inter-operability of its price database with FAO and the Famine Early Warning System Network (FEWS NET).

Assessments

120. Regional bureaux and country offices will, with Headquarters support, expand food-security surveys, emergency food security assessments, joint assessments with UNHCR, crop and food security assessments with FAO and inter-agency post-disaster needs assessments and multi-sector initial rapid assessments.
121. WFP will strengthen its participation in the Food Security Information Network, which is extending its partnerships with FAO, IFAD, the International Food Policy Research Institute (IFPRI), FEWS NET and regional institutions such as the Intergovernmental Authority on Development and the Permanent Interstate Committee for Drought Control in the Sahel to optimize food and nutrition security analysis. WFP will continue to host the Secretariat of the Food Security Information Network, which produces guidance on resilience measurement, food and nutrition security indicators, and market price measurement, and will support national and regional capacity development in collaboration with FAO and FEWS NET.

Food security monitoring

122. WFP's mobile vulnerability analysis and mapping (Mvam) project is testing remote data collection by means of voice calls, interactive voice responses and SMS to collect information in real-time on gender-disaggregated household, nutrition and market-related food-security indicators. Bulletins are published after each round of data collection to provide up-to-date information for decision-making, planning and appeals processes.
123. The Mvam tool is scalable: 100,000 Mvam questionnaires were collected in 2015 in 20 countries, a seven-fold increase from 2014; this included the emergencies in Iraq, South Sudan, the Syrian region and Yemen.
124. Lessons learned are informing the expansion of the project to new countries: Mvam is experimenting with internet surveys and messaging tools such as the Free Basics service offered by Facebook, and new indicators are being collected. A website will soon be available from which up-to-date information can be downloaded free to smartphones.
125. Seasonal agricultural performance and its effects on food supply and incomes will continue to be monitored through VAM, which is enhancing its remote-sensing and geographic information system

²⁶ WFP/EB.2/2013/4-A/Rev.1

(GIS) capacities. WFP is developing country-specific seasonal monitoring products with map animations and videos, and the El Niño analysis that alerts WFP to forward-purchase requirements has been upgraded. Other innovative approaches include WFP's Cambodia Land and Environment Atlas and Resource project, WFP/IFAD collaboration on climate, GIS and analytical services and collaboration with the European Space Agency and Sentinel-1 satellite platforms to increase the resolution of remotely-sensed imagery.

Social protection and safety nets

126. WFP will provide more technical advisory services with a view to enhancing country-level capacities for designing, implementing and evaluating food security and nutrition-sensitive social protection programmes, and will continue to support the development of hunger-related safety nets and differentiated approaches to assist populations vulnerable to food and nutrition insecurity. WFP will supply expertise in CBTs, supply chain efficiency, risk management and nutrition-sensitive value chains to countries requesting it, using standby partners and external experts to deliver technical assistance as required. It will continue to work with partners in the Social Protection Interagency Coordination Board (SPIAC-B) and support governments in achieving SDG targets.
127. WFP will enhance national social-protection systems with a view to supporting humanitarian responses: the aim is to use CBTs to complement national systems where possible, particularly during and after crises.
128. WFP will promote transitions to national school meal programmes, and will continue to provide technical assistance for governments. It will continue to support home-grown school-meal models with links to local food producers and smallholder farmers, and will promote the roll-out of the school-meal Systems Approach for Better Education Results, which tracks progress towards national programme ownership. WFP will enhance its analyses of the effectiveness and efficiency of school-meal programmes, support governments in cost/benefit assessments of school-meal programmes to show the extent to which they promote access to education, even during emergencies, and support national development.

The three-pronged approach

129. The three-pronged approach provides the foundation for integrated long-term programming that puts people and their livelihoods at the centre of planning and connects humanitarian and development stakeholders. The tool will be used to build partnerships, align WFP's activities with those of governments and other stakeholders, and to identify solutions relevant to local contexts.

Climate and disaster risk reduction programmes

130. WFP's food and nutrition assistance will continue to support resilience to shocks, disaster risk mitigation and adaptation to climate change. In line with the Strategic Plan (2017–2021) and SDG 2, WFP will present its climate change policy for Board approval at the 2017 First Regular Session along with an action plan. This will focus on collaboration with partners in support of governments, and analysis of the effects of climate change on food security with a view to informing policies and plans and building capacities for creating tools to address the increased risks from climate disasters and longer-term climate change.
131. WFP's plans include further scaling up of the R4 Rural Resilience Initiative, which enhances food security through a combination of community risk reduction, micro insurance for assets, livelihood diversification and financial services inclusion. The first evaluation of R4 showed that insured farmers saved 100 percent more than uninsured farmers, bought more cattle and invested more in seeds, fertilizer and productive assets. Women, who often head the poorest households, are achieving the largest gains in productivity.
132. WFP will also operationalize the Food Security Climate Resilience facility (FoodSECuRE), which supports resilience to climate shocks through advance preparedness, predictable financing when a shock occurs and recovery. WFP implemented the facility in several countries ahead of the recent El Niño.

133. WFP and the African Risk Capacity (ARC) are evaluating ways of extending coverage through the ARC-Replica scheme to more countries with a view to establishing efficient approaches to climate-risk insurance and developing capacities to implement national response plans. This work is aligned with the G7 Climate Insurance Initiative.
134. WFP and its government, United Nations, non-governmental organization (NGO) and private-sector partners are expanding climate services in Malawi, Senegal and the United Republic of Tanzania: this involves the provision of climate-related information and tools to enable governments and communities to increase their resilience. In line with SDG 7, WFP is supporting the integration of safe access to clean and affordable energy initiatives into national programmes.

Scaling up and mainstreaming market access for smallholder farmers

135. Purchase for Progress (P4P), which links smallholder farmers with agricultural markets, was piloted in 20 countries and is now being mainstreamed. Technical guidance has been prepared for country offices, governments and other stakeholders covering capacity development and smallholder-friendly procurement. The aim is to procure at least 10 percent of annual food purchases from smallholder farmers in line with the CSP approach.
136. The P4P programme will be coordinated with other WFP approaches – post-harvest loss accounting, the “patient procurement” platform, attention to food quality and safety, among other things – with a view to making smallholder farmers more competitive, improving their livelihoods and addressing food insecurity and malnutrition to achieve zero hunger by 2030. This will be part of WFP’s contribution to the transformation of food systems.

South–South and triangular cooperation

137. The South–South and triangular cooperation approaches are becoming increasingly relevant to WFP’s work in supporting country-led progress towards SDG 2. WFP has accordingly increased its support in recent years with a view to mobilizing the expertise and resources of developing countries to achieve zero hunger: 60 percent of country offices are supporting their host governments in this way, and WFP has been recognized as one of the three most dynamic United Nations partners in triangular cooperation. Such cooperation also expands WFP’s outreach and advocacy with developing countries and triangular cooperation partners.
138. WFP’s policy on South–South and triangular cooperation, which was approved at the Board’s 2015 Annual Session, supports the approach as complementary to North–South cooperation.

Monitoring and reporting

139. Monitoring and reporting are essential to WFP’s performance management. WFP’s corporate monitoring strategy (2015–2017) guides monitoring and reviews, with a dedicated implementation plan and budget, to achieve sustainable improvements to monitoring. From 2017, WFP’s monitoring will be aligned with the CRF, the Strategic Plan (2017–2019) the SDGs and WFP’s revised financial framework so that performance can be assessed by linking resources with planned and achieved results.
140. Investments in information technology have helped optimize monitoring and reporting. COMET²⁷ provides for sound monitoring of operations to support decision-making and reporting and to optimize programme design and management. In 2017 COMET will be aligned with the Strategic Plan (2017–2019) and with the WFP Information Network and Global System (WINGS) – modified for the new financial framework – with a view to enhancing decision-making and maximizing accountability.
141. In the first quarter of 2016 a CBT monitoring toolkit was developed on the basis of lessons learned to contribute to expansion of the use of CBTs and to provide evidence-based information. It was made mandatory on 1 July 2016 for all country offices implementing CBTs.

²⁷ Country Office Tool for Managing (programme operations) Effectively

Accelerating Gender Mainstreaming

142. WFP is committed to exceeding standards of the United Nations System-Wide Action Plan on Gender Equality and the Empowerment of Women (UN SWAP). WFP promotes gender equality and women's empowerment in its programmes and is increasing its work with the Rome-based agencies and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women). WFP is co-chair of the Inter-Agency Standing Committee Gender Reference Group and a member of the GenCap steering committee.
143. The resources allocated to gender-related activities in WFP's prioritized programme of work are estimated at 13 percent, an increase of 1 percent from 2016. WFP's goal is 15 percent of operational requirements by 2020.
144. The 2015–2020 gender policy will ensure that gender equality and women's empowerment are integrated into all activities, and that the differing food security and nutrition needs of women, men, girls and boys are addressed equitably. Gender considerations will be mainstreamed into the programme cycle from initial needs assessments to final evaluations.
145. Gender-sensitive activities include: i) measures to increase girls' access to primary education with a view to achieving gender parity and promoting equal rights and opportunities; ii) seasonal livelihood programming to align multi-sector projects with the needs and priorities of women and men; iii) augmentation of gender expertise in regional and country offices; and iv) capacity development in gender for the staff of WFP and its partners.
146. Resource requirements include provision for addressing gender-related protection issues, particularly gender-based violence, and supporting inter-agency responses to HIV and AIDS.

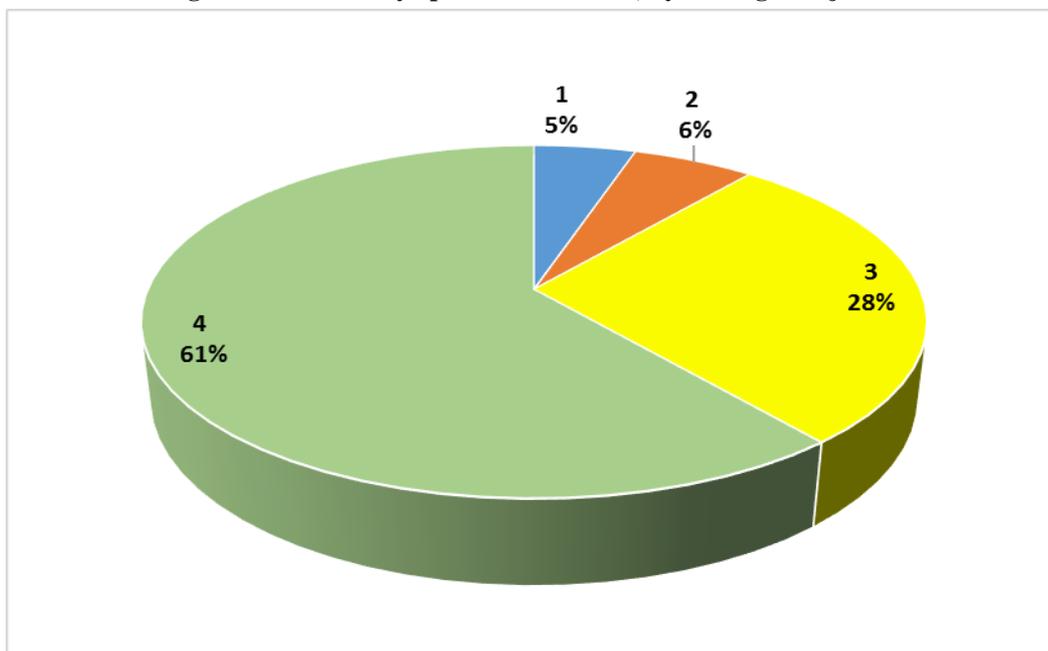
Trust Funds

Country-specific trust funds

147. Country-specific trust funds assist governments with the management and implementation of programmes aligned with WFP's Strategic Objectives and provide extra-budgetary resources for programmes consistent with WFP's country strategy. The main donors to country-specific trust funds are host governments, though governments of other countries and private foundations also contribute.
148. Country-specific trust funds for 2017 are forecast at USD 95.2 million, a 2 percent decrease from 2016. Table III.6 shows country-specific trust funds by region.

Bangkok	21.4	23%
Cairo	7.7	8%
Dakar	3.5	4%
Johannesburg	21.2	22%
Nairobi	13.5	14%
Panama City	27.8	29%
TOTAL	95.2	100%

149. A decrease of USD 2.2 million from 2016 is forecast for trust fund activities. The main user continues to be the Panama City regional bureau, but its share has declined as a result of reduced activity in Ecuador and Honduras. Other regional bureaux are expected to increase their trust fund activities in 2017.

Figure III.5: Country-specific trust funds, by Strategic Objective

150. Figure III.5 shows that the share for Strategic Objective 4 remains unchanged, and that the 5 percent reduction in Strategic Objective 3 activities is matched by small increases in Strategic Objectives 1 and 2. Activities under Strategic Objective 3 will support the distribution of locally produced diet supplements and enhance local capacities to implement food-security and nutrition programmes. Activities related to Strategic Objective 1 will support food security analysis and the development of capacities for monitoring and emergency preparedness and response. Activities under Strategic Objective 2 will support community development, for example through asset creation.

Corporate trust funds related to field activities

151. Corporate trust fund activities in country offices will account for USD 21.4 million in 2017, mainly through P4P, Renewed Efforts Against Child Hunger and Undernutrition (REACH), the Children's Investment Fund Foundation and climate resilience activities.

Section IV: Programme Support and Administrative Budget

Overview

152. This section presents the proposed 2017 PSA budget of USD 335.4 million. It includes a USD 10 million budget increase – 3.4 percent – for Global Headquarters (GHQ). In addition, reflecting the Secretariat’s unremitting commitment to restructuring its budgets in order to meet the evolving priorities of the organization the proposal articulates a further 5 percent shift (or “churn”) in the underlying Headquarters’ budget allocations.
153. The additional GHQ resources, as well as the 5 percent churn, are proposed for the highest-priority PSA areas based on commitments – mostly in the programme support area – already made to the Board, and for other areas focusing on increased effectiveness or efficiencies.
154. An adjustment of USD 35.1 million is proposed to provide PSA budget funding for the country-level costs of operations incurred for centralized services. In anticipation of the design and implementation of the new Financial Framework, which will allow WFP’s cost structure to become comparable with other United Nations Agencies, this adjustment will allow better cost and performance comparisons with other agencies who partially cover such costs through core budgets and through ISC recovery.
155. There is no request for a PSA Equalization Account allocation for Critical Corporate Initiatives (CCIs),²⁸ for which a paper will be presented at the Board’s 2017 First Regular Session following its review of the Strategic Plan (2017–2021), the CSP, the CRF and FFR, and upon the completion of a Fit for Purpose Review. A preliminary estimate for CCIs of USD 15 million would leave the PSA Equalization Account balance above the five-month target established in 2015.
156. However, the Secretariat is proposing to leverage the 2016 increase in the PSAEA balance, by transferring USD 15 million to the Immediate Response Account as its core thematic fund for emergency response.

Purpose of the PSA Budget

157. The PSA budget provides funding for support costs that cannot be directly attributed to individual operations. It is funded by ISC recoveries from contributions at a rate approved annually by the Board in accordance with the full-cost recovery policy.
158. Each year a departmental budget review is carried out, revising the regular PSA budget to ensure it is aligned with WFP’s organizational priorities. These budgets are reviewed and endorsed by the SRAC.
159. There are many demands on the PSA budget because it supports changing operational needs and the implementation of policy commitments made to the Board. The budget can be complemented through CCIs funded from the PSA Equalization Account, or through donors providing resources for institutional strengthening initiatives through corporate trust funds.

Performance-Informed Budgeting and Value for Money

160. The WFP value-for-money concept is to get the best results for our beneficiaries by using our resources in a way that achieves an optimum balance of effectiveness, efficiency and economy. Guidance is in place to support the approach in operational decision-making and monitoring and the sharing of good practices. The policy helps WFP to demonstrate its effectiveness.

²⁸ WFP/EB.A/2015/6-C/1. The criteria are that a proposal is: i) one-off; ii) not covered by regular PSA; iii) not related to a project; iv) in need of predictable funding; v) unlikely to generate sufficient additional investment from donors; and vi) focused on organizational change.

161. All requests for PSA allocations must therefore indicate how the proposed activities will contribute to WFP's efficiency and must be prioritized for submission to the SRAC, which will recommend most critical or beneficial cases to the Executive Director. Funding proposals without a strong value-for-money case are unlikely to be approved. Units that receive funding must report to the SRAC on the contribution of the activities to WFP's efficiency.

The 2017–2019 Programme Support and Administrative Budget

Main Increases

162. The recommended PSA budget for 2017 is based on a planned income level of USD 5.2 billion, 6 percent higher than the 2016 Management Plan estimate, which would yield ISC income of USD 335.4 million. The increase in allocations to global Headquarters is capped at USD 10 million, or 3.4 percent.
163. Adhering to the principle of “living within our means”, an operations-based PSA adjustment of USD 35.1 million is proposed to bring PSA utilization to USD 335.4 million, in line with estimated 2017 ISC income. This adjustment would provide funding for costs incurred for centralized services. The objective is to make WFP's funding of such costs comparable with other agencies and to maximize the value of transfers to beneficiaries.
164. The outcome of the regular PSA budget process is shown in Table IV.1.

2016 base		290.3
Adjustment for Headquarters and Regional Bureaux		
➤ Decrease in staff position costs (SPCs) net of statutory increases	-3.0	
➤ Increases to implement policies approved by the Board	6.0	
➤ CBTs and SCOPE	6.1	
➤ Other priorities	0.9	
Subtotal		10.0
Technical adjustment for centralized services		35.1
2017 proposed PSA		335.4

Technical adjustment for centralized services for country offices

165. Some agencies with core voluntary, or assessed, contributions may use these general contributions to fund certain project support costs and other costs incurred in country offices. As a completely voluntarily funded agency without a core budget, WFP can only fund its costs from specific donor contributions.
166. The key principle in moving costs that are currently funded as country-level costs under the PSA budget is substitution of funding, and not provision of additional funding to WFP. This does not affect the underlying costs, but it does affect the costs reported against specific donors' contributions. Funding centrally administered country-level costs through the PSA anticipates the FFR by increasing the value and transparency of transfers to beneficiaries, with corresponding reductions in DSC costs borne by donor contributions, and promotes greater funding comparability among agencies.²⁹
167. WFP proposes that the costs in Table IV.2 be moved to the PSA budget. The cost of these services, which are attributable to country operations but not managed by them, have been administered centrally in order to exploit efficiencies gained from larger economies of scale.

²⁹ Further refinements may be required as a result of lessons to be learned during the pilot in 2017.

168. These services will continue to support operations and incur costs in proportion to activity levels, but they will appear in the “Programme support: regional bureaux and country offices” appropriation line; DSC allocations will be reduced accordingly, releasing an equivalent amount for value transfers to beneficiaries.
169. Because most of these costs are charged as a function of the size of operations in terms of staff numbers or tonnage, there should be no cross-subsidization among countries or projects.

United Nations Department for Safety and Security (UNDSS) and WFP Security Emergency Fund	13.8
Employee wellness	0.7
IT per capita	19.1
Decentralized evaluations	1.5
Technical adjustment for centralized services	35.1

170. The mandatory UNDSS costs and WFP’s Security Emergency Fund costs – currently USD 18.8 million – have in the last three years been funded from a combination of SPCs and direct charges to projects. Of these costs, USD 5 million are charged to Headquarters and regional bureau budgets through SPCs; this will remain unchanged. The remaining USD 13.8 million is charged to country office operations. The proposal is that the security portion of country office SPCs and amounts directly related to projects will be budgeted and funded under the PSA.
171. In accordance with the Management Plan (2016–2018), a levy on staff costs was made through the SPCs to fund wellness services. It is proposed that the levy for country offices will also be budgeted and funded by the PSA, but there will be no change in the levy for Headquarters and the regional bureaux.
172. The IT per capita charge initiated in 2013 covers the cost of software licenses, VSAT, and other connectivity costs on the basis of the number of IT accounts utilized by a budget holder. The 2017 budgeted cost per account is USD 1,654; this is based on an estimated budget of USD 23.5 million for 2017, of which USD 19.1 million is related to country offices. WFP will continue to levy the per capita charge from budget holders, but it will be funded from the PSA for project staff in country offices.
173. There has hitherto been a per-country charge for evaluations of single operations, but from 2017 all country offices must include funding for decentralized evaluations in their project budgets. In accordance with the evaluation policy, a contingency fund will be set up to contribute to evaluation costs in country offices where there are resource constraints.

Use of the PSA Base

174. The 2017 review of departmental PSA budgets considered the level and type of services contributing to the annual implementation plan, with a focus on decommissioning outmoded activities to release resources for new functions needed to implement the changes in WFP. Every Headquarters department was required to reallocate or increase efficiencies by at least 5 percent of its base budget.
175. Within the offices and divisions reporting directly to the Office of the Executive Director (OED), key areas of prioritization included Gender (GEN), Evaluation (OEV), and Legal (LEG) as well as the programme review and approval process. Resources have been re-prioritized to the Gender Office for implementation of regional gender implementation strategies, the gender marker code and gender awareness and training initiatives, for all activities within the implementation plan.

176. Within the context of prioritizing the effective provision of services from LEG, resources have been shifted to strengthen senior management and oversight functions across all LEG activities and branches. Special attention was also given to enhancing the existing provision of evaluation services in OEV, including the establishment of a dedicated help-desk and technical enhancements to the evaluation intranet, as initial steps in meeting commitments made to the Board,³⁰ as well as to accommodate the impact of the various components of the new Road Map.
177. The offices reporting directly to the Deputy Executive Director will focus on multi-stakeholder processes shaping the sustainable development and humanitarian agendas, and follow up on the partnership commitments of the Global Migration Summit, the United Nations Conference on Housing and Sustainable Urban Development and the Quadrennial Comprehensive Policy Review (QCPR).
178. The Resource Management Department will shift more resources to SCOPE, to management and internal controls related to CBTs and to implementation of the CRF. This will involve re-prioritization of 8 percent of the IT division's PSA budget and 6 percent of the Budget and Programming Division budget.
179. The IT division (RMT) will prioritize digital transformation and architecture, CBT (SCOPE) and IT-enabled innovations through streamlining of telephone management and service desk support. Resources previously used for the Commodity Movement Processing and Analysis System (COMPAS) are being moved to support LESS, with staff to be re-allocated as required.
180. In the Finance and Treasury Division (RMF), funds will be shifted from policy work to donor reporting; other areas to receive additional resources include CBTs, staffing coordination and gender activities.
181. The Management Services Division (RMM) will focus on streamlining of electronic processes to replace paper archiving. Other funds will be shifted to focus on environmental sustainability in line with the SDGs.
182. In the Performance Management and Monitoring Division (RMP), additional funding will be allocated to the CRF; work on INTERFAIS will be de-prioritized from 2017. The Staff Wellness Division (RMW) will invest additional resources in a staff counsellor position to support field-based staff and will rationalize medical costs by moving a Headquarters-based staff member to a regional bureau.
183. Operations Services leads a number of critical organizational change processes and key corporate focus area initiatives as well as the formulation or update of a number of important policies that will determine and frame how WFP engages with broader global dialogues and processes currently under way.
184. The Supply Chain Division (OSC) will embed support for CBTs, while continuing to lead in the optimization of humanitarian supply chains and logistics; a new field-support service will be provided for the regional bureaux and country offices. A new governance unit will support these processes to ensure that evolving operational demands are met and that efficient and cost-effective deliveries are maintained.
185. Through P4P, WFP supports the smallholder farmers who provide the bulk of agricultural production in many countries and hence contribute to the achievement of Zero Hunger. A D2 coordinator for food systems strategy, policy and support and a D1 P4P global coordinator have been formalized within the existing budget.
186. In view of the scale of WFP's interventions in current emergencies, the Nutrition Division is re-directing staff to reinforce work on nutrition in emergencies.

³⁰ WFP/EB.2/2015/4-A/Rev.1.

187. The Partnership, Governance and Advocacy Department (PG) will maintain the efficiencies implemented in 2016 and seek to enhance WFP's partnerships with traditional donors. Its budget review focused on reallocation of resources to corporate priorities including flexibility in funding and efficient use of resources, and inter-agency and inter-governmental partnerships.
188. WFP's Berlin office supports the partnership with Germany. Following the London conference "Supporting Syria and the Region" in February 2016, Germany's support for WFP has increased significantly. Reflecting this increase, WFP has made internal and cost-neutral readjustments to enhance the Berlin office. Because the host government is funding the Centre of Excellence in China, WFP will be moving a PSA position to the Berlin office. This position will be accountable for managing fundraising activities. In addition, a position from Headquarters Rome has been moved to the Berlin office to work on communications-related activities.
189. Further efficiencies contributing to the Cost Excellence initiative are being achieved through locating Private Sector staff based in New York together with colleagues at the WFP New York office. The Ceremonial Protocol function has been transferred from RMM to the Executive Board Secretariat Division (PGB) to streamline its processes and conform to other United Nations Agencies.
190. Over and above the "churn" activities described above, the 2017 PSA budget reflects USD 3.8 million in savings through "cost excellence", exceeding the USD 3 million target anticipated in the 2016 Management Plan. These savings have been reprogrammed into the PSA budget from 2016 and carried forward to 2017. Savings in travel expenses across all budget holders and IT services have been reallocated: USD 1.9 million to country offices, USD 750,000 to SCOPE, and other funds to Gender, Innovation and Ethics and to WFP's Career Development Centre.

Decrease in Staff-Related Costs Net of Statutory Cost Increases – USD 3.0 million

191. WFP uses standard rates to budget and account for SPCs; these are re-calculated each year to reflect: i) the actual costs of employing a staff member in each grade and location; ii) anticipated exchange rates for Euro expenditure for Rome-based staff; and iii) provisions for other staff-related benefits and allowances.
192. The SPCs for 2017 are based on 2015 actual costs adjusted for inflation, after-service costs and, at Headquarters, currency exchange rates; they include charges for security, staff wellness and termination indemnities.
193. The SPCs have fallen because estimated after-service costs have been reduced, largely as a result of the decrease in the USD/EUR exchange rate since 2015 and post adjustments related to foreign exchange rates.
194. For 2017, WFP hedged its Euro staff costs at Euro 1 = USD 1.13; the 2016 rate was USD 1.12. This resulted in a USD 1 million increase in Headquarters-based staff costs, which is offset by the USD 4 million cost reduction in other components.
195. The SPCs are also likely to be reduced as a result of International Civil Service Commission (ICSC) changes, especially those affecting hardship and mobility allowances and education grants. The changes will particularly affect country offices and the standard position costs will reflect these changes as the ICSC provisions are progressively implemented.

Increases to Implement Board Approved Policies – USD 6.0 million

196. The Secretariat proposes that USD 6.0 million of the PSA increase be allocated to implementation of policies approved by the Board,³¹ as set out below.

³¹ WFP/EB.2/2015/4-A/Rev.1.

Evaluation Policy (USD 2.45 million)

197. WFP's Evaluation Policy, approved in November 2015 by the Executive Board, reaffirmed WFP's commitment to international evaluation principles and sets the normative framework for WFP. In line with this model, which combines centralized evaluations with demand-led decentralized evaluations, it is proposed to increase support for OEV in the form of Regional Evaluation Officers to support decentralized evaluations.
198. The allocation of a further USD 800,000 to OEV for 2017 builds on the PSA increase in 2016 and supports changes to centralized evaluation to meet the norms approved by the Board.

Gender Strategy (USD 880,000)

199. The additional investment in Gender will ensure stronger institutional commitment and leadership for Gender Equality and Women's empowerment programmes. National Gender Advisers in the regional bureaux will support regional strategies, help to mainstream gender into programmes and operations, and provide training and capacity development. They will also assist with future evaluations of WFP's gender policy.

People Strategy – WFP as a Learning Organization (USD 2.62 million)

200. With significant changes in the external humanitarian and development landscape, WFP needs a more progressive integrated approach to learning activities in order to develop, equip and empower staff to respond to the demands of today's challenges as well as prepare them for the future strategic direction of the organization. This investment will lead to a world-class learning curriculum and assessment system. The investment also mainstreams the Career Development Centre as a cornerstone for developing WFP's future leaders.

Cash-Based Transfers and SCOPE – USD 6.1 million

201. Cash-based transfers are forming a larger and more strategic segment of the organization's portfolio, requiring increased investments in order to consolidate and mainstream support into the PSA budget. The proposed investment is broken into two components – corporate support for the scale up of CBT capacity, and support to SCOPE, the corporate beneficiary management database.

CBTs

202. This PSA investment supports the mainstreaming of oversight, technical support and maintenance of CBT systems, processes and tools. Consolidation of core systems will enable greater data analysis to support the application of cash-based solutions which will be valuable to operational teams, governments, partners and donors. A second goal is to consolidate WFP's position as an experienced global and core CBT partner, thereby enabling collaboration with more partners to achieve economies of scale.

SCOPE

203. SCOPE is a major enabler in WFP's work. This investment will support changes needed to address emerging programmatic requirements in operations and national safety-net systems. Further investments will also enhance internal controls and guidance to ensure that maintenance capacity is available at the regional bureaux and Headquarters.

Box IV.1: Supporting CBTs

Support for WFP's increasing use of CBTs needs to be stabilized and the various funding streams consolidated. In 2015, part of the PSA increase was allocated to mainstreaming functions related to CBTs such as SCOPE.

WFP has used a combination of PSA Equalization Account funding and donor funding to support the development of policies, processes and capacities related to CBTs: these needs will continue into 2017, and additional funding will be sought.

Ongoing support costs in the areas of programming, assessment, legal, supply chain, finance and ICT need to be mainstreamed into the PSA budget. A portion of these costs are being covered by the "churn" in finance, supply chain and ICT, but additional investment is required to support implementation in Headquarters and the regional bureaux as cash-enabled programming exceeds the current 23 percent of WFP's implementation plan.

Other Increases – USD 940,000

Partnership Resource Centre

204. The partnership resource centre supports staff, particularly in the field, on how to develop and maintain effective partnerships, and is a key tool for implementing the corporate partnership strategy. It provides guidance on assessing potential partners, lessons learned from successful partnerships, evaluation tools and a central database of information about partners.

Emergency Preparedness

205. WFP's Operations Centre (OPSCEN) acts as an information-sharing and global coordination hub. It provides a common overview of WFP operations, with the purpose of ensuring consistency of information for decision-making, particularly in emergencies. In emergencies it provides a picture of events affecting the contexts in which WFP is operating and supports inter-agency information-sharing and coordination.

PSA Equalization Account and Critical Corporate Initiatives

206. The PSA Equalization Account is used: i) to cover differences between ISC income and approved PSA expenditure; ii) to underwrite the risk of decreases in ISC income or underfunding of the PSA budget; iii) for CCIs; and iv) to maximize WFP's reserves. In accordance with the Board's decision at its 2015 Annual Session,³² the Secretariat has maintained the target level of the PSA Equalization Account at five months of PSA expenditure with a "floor" of two months.
207. Some initiatives, such as the revamp of the Enterprise Resource Planning system (WINGS) following the completion of the design phase of the FFR, cannot be funded through the limited internal financial capacity of the organization. Instead, they depend upon periodic allocations from the accumulated balances on the PSA Equalization Account (PSAEA) approved by the Executive Board and significant supplementary investments from those donors who recognize the importance of funding institutional strengthening.
208. The Secretariat is cognizant of the need to adequately consider and respond to the exceptional number of proposals being submitted to the Board at its Second Regular Session in 2016, and to take stock of the Fit for Purpose Review, which will be completed for the First Regular Session in 2017. Accordingly, the Secretariat is proposing to postpone consideration of Critical Corporate Initiatives to EB.1/2017, following the Board's formal endorsement of the initiatives comprising the Integrated Road Map, and will ensure that there is opportunity for prior informal consultation before the documentation is finalized for EB.1/2017.

³² WFP/EB.A/2015/6-C/1.

209. Any proposals to be submitted for the Board's approval will be consistent with the principles of prudent financial management endorsed by the Board in 2015.³² A preliminary and tentative estimate of USD 15 million is foreseen for the total 2017 CCI proposals, which would leave the PSA Equalization Account balance well above the five-month target established in 2015. In determining the final allocations, the Secretariat will prioritize investments arising from the approval of the Integrated Road Map, further investments needed for Cost Excellence, and implementation of Board approved policies such as Evaluation and Gender.
210. The PSA Equalization Account projected opening balance for 2017 is USD 189.2 million, significantly above the USD 142.6 million closing balance in the Management Plan (2016–2018) as a result of a USD 700 million increase in forecast contributions for 2016 above the projected USD 4.9 billion in the Management Plan 2016–2018.
211. In light of the record level of contributions foreseen for 2016, the Secretariat is proposing to transfer USD 15 million of the PSAEA to reinforce its unique multilateral funding source for sudden life-saving demands, the Immediate Response Account. The increase in 2014 of the annual target level of the IRA to USD 200 million³³ has not been followed up with an increase in donor contributions. This transfer will further boost IRA resources available, building on the previous transfer of USD 50 million made in early 2015.³⁴
212. The 2017 funding forecast of USD 5.2 billion will generate ISC income of USD 335.4 million (see Table IV.3). Based on a tentative level of CCI investments of USD 15 million, the projected closing balance of USD 159.2 million is equivalent to 5.7 months of PSA expenditure.

Projected opening balance at 1 January 2017	189.2
Proposed Transfer to the IRA	(15.0)
2017 ISC revenue based on USD 5.2 billion revenue	335.4
2017 PSA expenditure	(335.4)
2017 CCIs (preliminary and tentative)	(15.0)
Projected closing balance at 31 December 2017	159.2

Indirect Support Cost Rate

213. Board document WFP/EB.A/2006/6-C/1 described a method for setting the ISC rate for the next financial period. The derived rate for 2016 is calculated as shown in Table IV.4.

2015 baseline	6.28
Increase for higher indirect expenditures for 2016	+1.23
Decrease for higher funding forecast	-0.51
Decrease for higher PSA Equalization Account balance	-1.02
Derived ISC rate for 2016	5.98

214. The FFR includes consideration of harmonizing WFP's cost structures, including what is funded by ISC, with other United Nations agencies.

³³ WFP/EB.2/2014/5-A/1.

³⁴ WFP/EB.A/2015/6-D/1.

215. WFP's voluntarily funded business model makes it susceptible to fluctuations in ISC income. The PSA Equalization Account provides a safety net to adjust the PSA cost structure and a healthy PSA Equalization Account balance, which WFP currently enjoys, is particularly important at this juncture. The Secretariat therefore recommends that the current 7 percent ISC rate be maintained for 2017.

2018–2019 PSA Outlook

216. As outlined in Section II, income forecasts for 2018 and 2019 are unlikely to exceed the USD 5.2 billion forecast for 2017. WFP will ensure that PSA resources are optimized to meet changing needs and ensure maximum value for money through cost containment in line with the principle of "living within our means". The base budget will continue to be supplemented through prioritized CCIs and funding provided by donors for institutional strengthening
217. As a result of the key functional changes expected through 2018 due to the financial framework, it is anticipated that the structure of WFP may need to be adjusted. However, these changes will be in the 2018 Management Plan.

Orientation of the PSA Budget by Management Result Dimension

218. Table IV.5 presents the elements of the PSA budget against the five MRDs of the 2014–2017 Management Results Framework (MRF). Because the new CRF is being developed alongside the Management Plan, this analysis may be updated once the new CRF is agreed.

TABLE IV.5: ANALYSIS OF PSA BUDGET BY MRD (USD thousand)					
	PSA	PSA increase, Headquarters and regional bureaux	PSA technical adjustment*	Total PSA	%
People	54 384	2 621	700	57 705	17
Partnerships	27 143	440	-	27 583	8
Processes and systems	79 680	6 100	19 100	104 880	31
Programmes	37 687	3 839	1 500	43 026	13
Accountability and Funding	88 409	-	13 800	102 209	31
TOTAL	287 303	13 000	35 100	335 403	100

* The provision under PSA technical adjustment is offset by reductions in funding from donor contributions for country office costs incurred for centralized services.

People

219. The allocation for the People dimension, which reflects an increase of 13.4 percent from 2016 before the technical adjustments, focuses on: i) enhancement of staff capabilities and individual performance management with a view to developing a skilled and flexible workforce with a reserve of talent managed by capable leaders; and ii) the Career Development Centre. The dimension covers all senior staff costs, reflecting their role in promoting a culture of commitment, communication and accountability.

Partnerships

220. The Partnership dimension, which accounts for 9.2 percent of PSA investments before the technical adjustments, reflects WFP's intention to build partnerships with governments, regional organizations, other United Nations agencies and academic institutions to provide food assistance and build resilience. It includes support for the Board in its governance role and coordination with United Nations agencies and cluster leaders. Additional funding has been allocated to mainstream WFP's Partnership Resource Centre.

Processes and Systems

221. The allocation to the Processes and Systems dimension, an increase of 2.8 percent from 2016 before technical adjustment, is intended to ensure that optimum food assistance is provided at the right time, in the right place and in the most cost-efficient and effective way. This requires: i) sound project designs that meet WFP's quality standards; ii) cost-effective food assistance delivery mechanisms supported by efficient systems and timely monitoring; and iii) systems for learning, sharing and innovation.
222. The largest new investment supports CBTs. The shift of IT per capita costs for country offices into the PSA budget accounts for the amount in the PSA technical adjustment column.

Programmes

223. The allocation to the Programmes dimension accounts for 13.8 percent of PSA investments before the technical adjustments promotes innovative and evidence-based interventions to address food and nutrition needs, build national capacities and ensure that programmes are aligned with policy. It covers WFP's ability to: i) respond appropriately to existing situations and to complex emergencies; ii) align programmes with national and local priorities; iii) mainstream innovative approaches, communicate results and advocate hunger solutions; and iv) publicize the WFP brand and generate support.
224. The amount in the PSA technical adjustment column reflects the proposed allocation to the regional bureaux to support the gender policy and evaluations.

Accountability and Funding

225. The allocation to the Accountability and Funding dimension, an increase of 10.6 percent from 2016 before technical adjustment, generates funding for operations and maintains high standards of governance, internal control, stewardship and accountability. The objective is to ensure that resources are flexible, predictable and timely, and transparently accounted for at Headquarters and in the regional bureaux and country offices.
226. The amount in the PSA technical adjustment column is for IT per capita, UNDSS costs and WFP's Security Emergency Fund, decentralized evaluations and wellness services.

Summary of 2017 Regular PSA Budget by Appropriation Line

227. In accordance with Financial Regulation 9.3, the regular PSA budget has three appropriation lines: i) programme support at the regional bureaux and country offices; ii) programme support at Headquarters; and iii) management and administration.
228. Table IV.6 shows the regular PSA budget by appropriation line from 2015 to 2017. The total cost column reflects staff and non-staff costs; the total post count includes national staff. The appropriation lines remain as they were in the previous Management Plan. Additional details are provided in Annex I.

	2015 expenditures		Total cost	2016 estimated		Total cost	2017 projected		
	Post count			Post count			Post count		Total cost
	Prof.	Total	Prof.	Total	Prof.	Total	Prof.	Total	
Programme support – regional bureaux and country offices	244	825	99.1	263	840	108.7	279	861	146.0
Programme support – Headquarters	152	237	51.9	152	238	47.8	171	259	53.6
Management and administration	293	551	129.6	305	563	133.8	313	566	135.8
Cost excellence re-engineering*							(20)	(20)	
TOTAL	689	1 613	280.7	720	1 641	290.3	743	1 666	335.4

* The cost excellence exercise will redistribute resources and shift and re-profile positions in Headquarters and the field.

Central Appropriations

229. Central appropriations cover statutory requirements and other centrally controlled appropriations, which are budgeted under management and administration. These appropriations are expected to be higher than the 2016 level (see Table IV.7). The most significant changes from 2016 are the increases in recruitment fees, insurance fees including a new cyber-crime insurance policy, services from other agencies and other statutory costs. The global staff survey and asset management survey are costs incurred every two years, and so were not included in the 2016 budget.

	Approved 2016	Proposal 2017
Reassignment costs	3 000 000	3 000 000
Insurance fees	1 384 900	1 624 900
Joint Inspection Unit (JIU)	931 000	900 000
International Civil Service Commission (ICSC)	602 534	620 000
External Audit	440 000	400 000
Chief Executives Board	290 000	280 000
Emergency medical evacuation	170 000	170 000
Audit Committee	194 000	194 000
Services from other agencies	2 066 057	2 630 995
Inter-agency support	1 358 973	1 445 847
Resident Coordinator contribution	1 413 500	1 413 510
Global management meeting	265 000	265 000
Global staff survey	0	165 000
Other	869 150	1 250 500
TOTAL	12 985 114	14 359 752

Institutional Improvements

230. Corporate trust fund activities promote innovations in operations, systems and processes, and support institutional improvements and capacity-development initiatives.
231. Experience shows that some donors are willing to fund activities that support innovation and changes in the way WFP works. The development of processes for scaling up CBT programmes in country offices and enhancing performance and risk management are examples of new approaches piloted with non-PSA resources. In some cases change is easily funded because donors are willing to support activities, but in others WFP seeks funding for prioritized needs.
232. The Management Plan integrates information on actual and potential investments in the PSA budget process. Investment cases for activities that cannot be funded through the regular PSA budget are prioritized for allocations of PSA, CCI or trust fund resources. In line with the criteria approved by the Board, initiatives that may attract sufficient additional investment from donors receive lower priority for funding through PSA to ensure that its resources are directed to areas of greatest need.
233. For 2017, 60 investment cases totalling USD 57 million were submitted for PSA funding, and 45 investment cases totalling USD 72 million were submitted for funding from extra-budgetary sources.
234. The allocations set out above resulted in the prioritization of 13 investment cases for funding in the regular PSA budget through the PSA increase. The remaining 92 investment cases, totalling USD 115 million, constitute an inventory of corporate trust funds that may be considered by the SRAC with a view to recommending multilateral donor funding.
235. Table IV.8 summarizes the inventory of corporate trust funds by MRD for 2017 on the basis of documented investment cases. The Processes and Systems and Programmes dimensions account for 83 percent of the total.

	<i>USD million</i>	<i>%</i>
People	11.9	10
Partnerships	3.4	3
Processes and Systems	52.5	46
Programmes	43.2	37
Accountability and Funding	4.1	4
TOTAL	115.1	100

236. Resources for the People dimension will be used to train staff in technical capacities for working with governments, programming and financial skills. This MRD includes investments for further development of the people strategy in relation to corporate requirements and supply chains.
237. The proposals for Processes and Systems support the refinement of CBT tools such as SCOPE, supply chain management, procurement and performance management, and the innovation centre.
238. Investments in the Programmes dimension will be used to implement the CSP and protection policies and to build WFP's capacities in nutrition, early-warning analysis and mapping for emergency preparedness, climate-related resilience and disaster risk reduction.
239. The allocations for the Partnerships and Accountability and Funding dimensions will reinforce inter-agency partnerships, particularly for emergencies, and cluster management; they will also support the FFR.

PSA Gender Marker

240. WFP is committed to exceeding the 15 UN SWAP performance indicators by the end of 2017. The business-owner structure established in 2014 has been effective in cross-functional collaboration, sharing of best practices and capacity development. WFP is piloting UN SWAP 2.0, which will be a United Nations requirement from January 2018.
241. Implementation of regional strategies and country office action plans in 2017 will mainstream gender equality and women's empowerment into all activities. As part of the USD 3.8 million reallocated in 2016 from cost excellence savings, USD 400,000 was allocated on a recurring basis to the Gender Office for capacity development, the creation of a gender toolkit, roll-out of the WFP Gender Transformation Programme and the Gender Results Network.
242. The recurring investment for 2017 of USD 880,000 will support the regional bureaux, complemented with project and extra-budgetary resources. WFP will consider CCI funding from the PSAEA to finance one-time investments in policy and programme development and capacity development.
243. WFP continues to refine its gender-responsive budgeting procedures. For 2017, USD 7.8 million is incorporated in the PSA budget, resulting partly from divisional budget allocations for gender and diversity. Additional extra-budgetary resources of USD 3.9 million for other activities are at least partly dedicated to gender.

Hedging

244. At its 2008 Annual Session the Board approved a policy for hedging the Euro component of PSA expenses incurred at Headquarters to increase PSA funding stability. The Secretariat has accordingly made a forward purchase of the Euro amounts required for the 2017 PSA budget at an average rate of EUR 1 = USD 1.13; the 2016 average foreign exchange forward rate was EUR 1 = USD 1.12.

Section V: Corporate Services and Business Services; Special Accounts

Overview

245. WFP is committed to maximum efficiency and economy of scale in its operations, and uses its comparative strengths in service provision to support other United Nations agencies, thereby enabling savings in terms of time and costs – which benefit partners and ultimately people in need. WFP provides: i) corporate services that provide direct support to WFP units; and ii) business services provided at lower cost than if they were sourced externally.
246. Special accounts are the vehicle for managing these services. They gather all receipts and expenditures pertaining to the service in question, and are not time-bound, thereby allowing balances to be carried over to a subsequent financial period.³⁵
247. The value of transactions in special accounts for 2016 is estimated to be USD 452 million. This includes all income from sales of services and cost recoveries.

Corporate Services

Corporate services financing mechanism

248. The corporate services financing mechanism³⁶ adopted in 2014 enables WFP to support business units through: i) the Global Vehicle Leasing Programme (GVLP); ii) the Capital Budgeting Facility (CBF); and iii) fee-for-service activities.
249. The 2016 ceiling for these services was increased in the Management Plan (2016–2018) from USD 70 million to USD 82 million. No change is proposed for 2017.

Global Vehicle Leasing Programme: ceiling USD 22 million

250. The GVLP leases vehicles to country offices. Value for money is ensured by central management of the procurement and preparation of vehicles and by guaranteeing that vehicles are equipped with appropriate features for the locations in which they will operate. Leasing fees are included in project budgets to ensure that GVLP recovers its investment.
251. In 2016, GVLP has reduced the amount borrowed from the Working Capital Financing Facility by USD 5.5 million. This reduction will be followed with a downwards revision in leasing fees being charged to WFP programmes.

Capital Budgeting Facility: ceiling USD 40 million

252. The CBF was established in the Management Plan (2014–2016) as a revolving facility enabling WFP to implement multi-year projects to generate savings. It provides advance capital that must be repaid by the projects or other funding sources over an agreed timescale.
253. The CBF was set up with a ceiling of USD 20 million, initially to support the development and roll-out of LESS. A self-financing investment of USD 35.1 million, LESS is generating its own repayment of the capital outlay since 2015 from a tonnage-based landside transport, storage and handling (LTSH) rate that reflects average efficiency savings identified by an external reviewer. WFP anticipates that LESS will be implemented in 83 countries by the end of 2016, completing the global roll out. The last country to begin using LESS should be Yemen, in October 2016; repayment of the CBF advance is expected to be completed by December 2018.

³⁵ Financial Regulation 5.1: A Special Account may be established by the Executive Director for purposes consistent with the policies, aims and activities of WFP. Special accounts manage special contributions or funds earmarked for programme, corporate or cost-recovery purposes, or to support long-term activities.

³⁶ WFP/EB.A/2014/6-D/1

254. In the Management Plan (2015–2017) the Board approved expansion of the CBF, initially to USD 28 million and subsequently to USD 40 million from 2016 to provide USD 20 million in loans to finance improvements to field premises where WFP foresees that a long-term presence will improve returns on investments, provide better security and improve operational efficiency.
255. In 2016, 13 countries were invited to submit applications for CBF financing. Nine proposals were submitted totalling USD 22.4 million, and USD 8.5 million was allocated to:
- i) building a humanitarian logistics base in Djibouti to reduce logistics costs in Ethiopia, Somalia, South Sudan and Yemen; USD 3 million was allocated in 2015 and a further USD 2.4 million in 2016;
 - ii) constructing a new country office in Nepal, supplementing other funding streams that provide the main financing;
 - iii) energy-efficiency projects for 12 WFP premises in Chad, Ethiopia, Liberia, the Sudan and South Sudan: USD 2.3 million was approved for these projects, which are in progress;
 - iv) a new country office in Mali, for which USD 1.5 million was approved; and
 - v) a new country office building in South Sudan to replace prefabricated units in the existing compound in Juba, for which USD 1.5 million was allocated.
256. A CBF cash-flow projection based on forecast expenditure and loan repayments shows that the available financing should be increasing by the end of 2016 to provide resources for the next round of allocations in mid-2017.

Fee-for-service activities: ceiling USD 20 million

257. The fee-for-service mechanism can advance up to USD 20 million for information technology (IT), security and evaluations of single operations. The advances will not exceed the ceiling, but the volume of business transacted each year exceeds USD 20 million because advances and recoveries are made throughout the year.
258. A per-capita IT cost-recovery scheme was introduced in 2013. Capital costs are not covered; recurring costs must meet the following criteria: i) the IT service must be delivered to WFP as a whole; and ii) the service must use central contracts and payments must be applicable to all participants.
259. The Security Emergency Fund covers the costs of security and safety equipment and training when project DSC is insufficient; this enables country offices to meet minimum operating security standards (MOSS) requirements. WFP also participates in the United Nations Security Management System (UNSMS) and shares the costs of UNDSS services. Field-related costs are distributed by UNDSS among participating agencies under an agreed formula and recovered directly from projects and from standard staff costs.
260. The Office of Evaluation receives a small advance to support its evaluations of individual operations. Costs are recovered from the projects concerned.
261. Cost recovery for these fee-for-service activities has been managed centrally: Headquarters units and country offices are requested to pay their share of the various costs, and each must identify funding to repay the advances. This approach will be unchanged for global Headquarters units in 2017, but country offices will no longer need to earmark direct support funding. Instead, country office costs for the services will be paid out of the PSA budget;³⁷ DSC funding requirements will be reduced by a corresponding amount.

³⁷ See Section IV: Programme Support and Administrative Budget, paragraphs 163–171.

262. Table V.1 shows the estimated level of activity in the special accounts of the corporate services financing mechanism for 2017.

TABLE V.1: CORPORATE SERVICES FINANCING MECHANISM SPECIAL ACCOUNTS IN 2017 (USD million)					
	Advance financing ceiling		Estimated expenditures		%
GVLV	-	22	-	14.0	22
CBF	-	-	-	-	
LESS	20	-	3.5	-	-
Improved premises	20	-	6.5	-	-
Total CBF		40		10.0	16
Fee-for-service activities					
IT services	-	-	20	-	-
Security	-	-	19	-	-
Evaluation	-	-	-	-	
Total Fee-for-Service		20		39.0	62
TOTAL		82		63.0	100

Special accounts for other corporate services

263. Other corporate services provided include self-insurance for light vehicles, management of health insurance for national staff and support for employee wellness initiatives through the Wellness Programme Fund.

Wellness Programme Fund

264. In May 2015, the Executive Board approved the creation of a Wellness Programme Fund for improving employee wellness at duty stations with limited funding from country operations. The Fund was established through the transfer of USD 10 million from the PSA Equalization Account.
265. Proposals for funding are prioritized on the basis of how they address the five pillars of the WFP 2015–2019 Wellness Strategy: 1) Medical and mental health; 2) Psychosocial health; 3) Work/living conditions; 4) Safety; and 5) Workforce stewardship. Additionally, in order to make the Wellness Programme Fund Special Account (SAWP) sustainable, programmes prioritized are those that include a cost-recovery mechanism.
266. Since its inception, the Fund has approved 11 requests for funding including:
- upgrades of accommodations in Chad, Ethiopia, Somalia, and South Sudan, acting as pilots for new standards of living conditions in field accommodation and related improvement mechanisms and maintenance plans which would become WFP best practice for other countries;
 - partial funding for Staff Counsellors in RBJ and RBP, to facilitate access to internal psycho-social support for WFP staff;
 - financial support for RBP Zika virus prevention programmes, to cover the costs of fumigation of staff houses in the Panama region and the purchase of insect repellent for Bureau staff which meets World Health Organization (WHO) standards;

- funding for the Ethiopia Somali Region Roving Medical Teams to provide primary healthcare in the field, and for the South Sudan Employee Vaccination Campaign to vaccinate all employees in WFP South Sudan offices with the vaccines recommended by WHO.

267. Of the USD 10 million dollars originally allocated, USD 7.3 million have been committed to Staff Wellness initiatives.

Business Services

268. Other special accounts provide business services within WFP and for partners on a full-cost recovery basis. The estimated volume of transactions is USD 389 million, of which 65 percent is accounted for through the Aviation Special Account, with other activities including the UNHRD, self-insurance, gender mainstreaming and CBT services for partners.
269. WFP Aviation Service has both internal and external customers. WFP does not own any aircraft but contracts them as required – up to 70 on any given day. Its staff manage the United Nations Humanitarian Air Service (UNHAS), which transports humanitarian workers and light cargo to locations that are inaccessible by other means and often insecure. The Aviation Service also provides freight services for relief operations and other humanitarian organizations and passenger services not covered by UNHAS; in extreme situations air-drops of life-saving food can be arranged.
270. The Aviation Special Account manages the income from these services and enables the Aviation Service to respond promptly to emergencies. Apart from the supply of fixed-wing and rotary-wing aircraft, the account is used to promote an aviation safety culture and perform quality assurance reviews to ensure compliance with safety standards.
271. The Special Account for Cash-Based Transfers enables WFP to extend the use of the CBT delivery platform for the benefit of humanitarian partners (governments, non-governmental organizations (NGOs), other United Nations agencies), while ensuring that WFP effectively manages and reports back to the partners on the utilization of their funds. The services provided under the special account consist of:
- i) core services – services that are directly related to the use of the CBT delivery platforms, including assistance in performing beneficiary registration and distribution cycles, managing the CBT transfer fund for beneficiaries, and reconciliation and payment of service providers; and
 - ii) additional services – services include monitoring and evaluation, assessment and selection of retailers, and customized reporting.
272. The Special Account for Cash-Based Transfers promotes cooperation among humanitarian partners, and contributes to the wider United Nations effort of “Delivering as One” and the Sustainable Development Goal 17. It is also expected to achieve cost efficiency gains across the humanitarian sector through lower administrative and service provider costs.
273. The UNHRD procures, stores and transports relief items and ready-to-eat foods for emergency preparedness and response operations, providing standard and specific services for 75 United Nations agencies, governmental organizations and NGOs. It is funded by donor contributions and cost recovery for services.
274. The Self-Insurance Special Account established in 1993 enables WFP to purchase insurance for food and goods in transit. WFP is able to negotiate premiums significantly below market levels and to minimize negative economic effects on projects resulting from food losses.

Other Special Accounts

275. In 2017 the Gender Special Account will focus on accelerating gender mainstreaming by supporting the implementation of the Gender Action Plan through capacity development, pilots and research initiatives and the implementation of UN SWAP. Increased support will be provided for implementing regional gender strategies and country-level action plans and enhancing the Gender Results Network.

Outlook for Special Accounts, 2018

276. Special accounts are expected to remain at the same level in 2018, though business volumes will change if unforeseen requirements emerge or demand decreases.

ANNEX I

The 2017 PSA Budget Proposal

1. This annex, which complements Section IV Programme Support and Administrative Budget, outlines the review process used in preparing the PSA budget proposal. Value-for-money concepts and performance management links continue as part of the 2017 budgeting process.

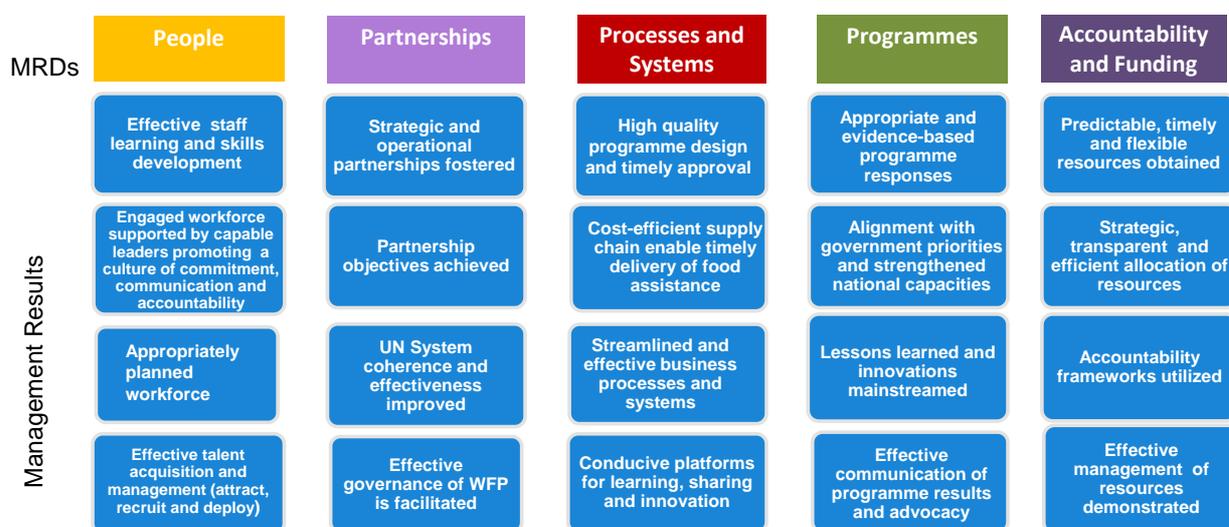
The Budget Review

2. Each department reviewed its budget and activities with a view to reducing or ending outmoded activities and reallocating at least 5 percent to new functions needed to implement changes in WFP. Budget holders reviewed their investment cases or prepared new ones, setting out the ways in which each investment will enhance WFP's effectiveness, efficiency or economy, providing value for money. All requests, whether PSA or extra-budgetary, matched planned results with outputs, outcomes and Key Performance Indicators (KPIs) and explained the value-for-money benefits. They were then endorsed by departmental heads and submitted to the Strategic Resource Allocation Committee (SRAC).
3. Having reviewed all submissions, the SRAC recommended for the approval of the Executive Director a base funding level that reflected the 5 percent reallocations, reallocations from reduced staff costs and increases in PSA.
4. Investment cases not funded through the PSA may be considered by the SRAC for future multilateral funding or Critical Corporate Initiatives (CCIs) in 2017; alternatively, they may receive directed donor contributions.
5. The investment case approach for PSA or multilateral allocations is now mainstreamed.

Performance Monitoring and Value for Money

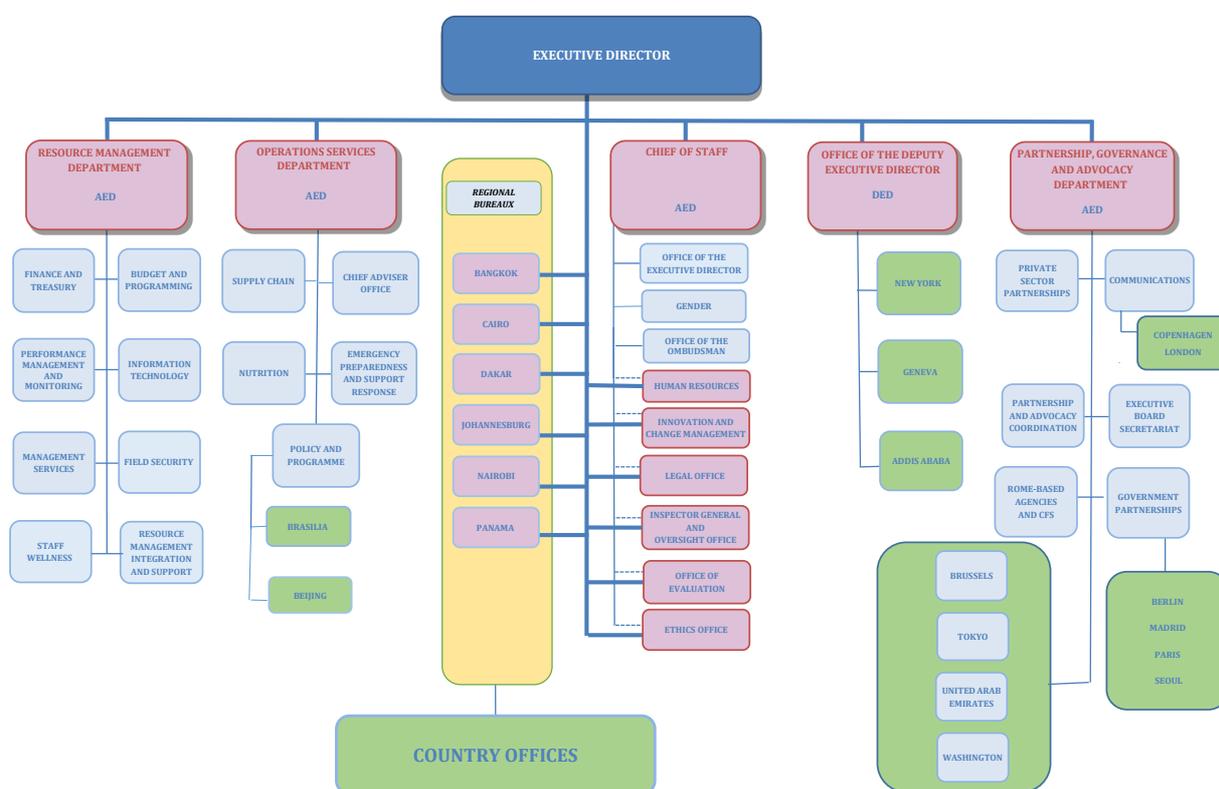
6. WFP defines value for money as "getting the best results for our beneficiaries by using our resources wisely", which in practice involves balancing effectiveness, efficiency and economy. The Management Plan is accordingly based on performance-informed budgeting with a view to ensuring: i) that WFP works efficiently and effectively; and ii) that budgets and funding are clearly linked to results throughout the planning, implementation, monitoring, review and reporting phases. The Management Plan is linked to project documents and the Annual Performance Plan for the planning and implementation phases, and to the Standard Project Reports and the Annual Performance Report at the reporting stage.
7. During the review of the CRF for the Strategic Plan (2017–2021), budgeting was still governed by the 2014–2017 Management Results Framework (MRF) (see Figure A.I.1). Performance-informed budgeting requires that budgets submitted by each office must: i) be aligned with the Management Results Dimensions (MRDs) and management results, the Management Plan and PSA resource allocation priorities; and ii) show how office outcomes, outputs and activities contribute to effectiveness, efficiency or economy when measured against KPIs established at the planning stage.
8. When funding has been allocated, annual performance plans are adjusted to actual budget allocations, and targets, results and activities may be re-prioritized. Annual performance data are also reviewed to inform budget decisions.
9. The results achieved at the end of the year with the amounts budgeted are reported in the APR and aggregated to show WFP's performance. Performance-informed budgeting takes into account the results of the last completed budget year in setting budgets for the following three-year planning period.

Figure A.I.1: Management Results Framework (2014–2017)



Structure of the Secretariat

10. The structure of the Secretariat is largely unchanged from 2016.



Executive Management, Oversight and Central Services

11. Executive management, oversight and central services are vested in the Office of the Executive Director, the Gender Office, the Office of the Ombudsman, the Human Resources Division, the Innovation and Change Management Division, the Legal Office, the Office of the Inspector General and Oversight, the Office of Evaluation and the Ethics Office.

Office of the Deputy Executive Director

12. The Office of the Deputy Executive Director supports: i) WFP's representation at United Nations Headquarters; ii) engagement with the United Nations system and Member States; iii) relations with the African Union; and iv) engagement in processes that shape the development and humanitarian environment. The Deputy Executive Director oversees WFP's offices in Addis Ababa, Geneva and New York.

Operations Services Department

13. The four divisions of the Operations Services Department cover Policy and Programme, Emergency Preparedness and Support Response, Nutrition and the Supply Chain; the Department also includes the Office of the Assistant Executive Director's (AED's) Chief Adviser, and the Centres of Excellence in Brasilia and Beijing report to it. The Supply Chain Division manages WFP's logistics and procurement, the United Nations Humanitarian Air Service, the United Nations Humanitarian Response Depot (UNHRD) and the logistics cluster.

Resource Management Department

14. The Resource Management Department promotes employee wellness, drives performance management and ensures separation of duties in budget approval, financial oversight, expenditure management and accountability to external stakeholders. Its divisions comprise Finance and Treasury, Budget and Programming, Performance Management and Monitoring, Information Technology, Management Services, Field Security and Staff Wellness; it also supports the Resource Management Integration and Support Office.

Partnership, Governance and Advocacy Department

15. The divisions of the Partnership, Governance and Advocacy Department comprise Government Partnerships, Private Sector Partnerships, Communications, Partnership and Advocacy Coordination, and the Executive Board Secretariat. The Department also supports engagement with the Rome-based agencies and the Committee on World Food Security, and manages WFP's offices in Berlin, Brussels, Copenhagen London, Madrid, Paris, Seoul, Tokyo, the United Arab Emirates and Washington DC.

The 2017 PSA Budget Proposal by Appropriation Line

16. Table A.I.1 shows the PSA budget by appropriation line for 2015, 2016 (estimated) and 2017 (projected). The “total cost” columns include staff and non-staff costs; the total post counts include international professional and national staff.

	2015 expenditures			2016 estimated			2017 projected		
	Post counts		Total cost*	Post counts		Total cost*	Post counts		Total cost*
	Prof.	Total		Prof.	Total		Prof.	Total	
Programme support: regional bureaux and country offices	244	825	99.1	263	840	108.7	279	861	146.0
Programme support: Headquarters	152	237	51.9	152	238	47.8	171	259	53.6
Management and administration	293	551	129.6	305	563	133.8	313	566	135.8
Adjustment headcount: Headquarters only							(20)	(20)	
TOTAL	689	1 613	280.7	720	1 641	290.3	743	1 666	335.4

* Staff and non-staff costs.

Programme Support – Regional Bureaux and Country Offices

17. The regional bureaux are the first line of support for country offices to implement strategies and policies at the operational level, while ensuring management effectiveness, operational oversight and coherence at the regional and country levels. Their main functions are to:
- provide policy support and strategic direction for WFP’s operations;
 - deliver strategic and technical support and oversee quality standards;
 - formulate and disseminate best practices and lessons learned across the region;
 - coordinate the scheduling, preparation and submission of Country Strategic Plans;
 - ensure the substantive and presentational quality of country strategy and project documents;
 - facilitate sharing of technical resources so that country offices have the required operational capacities;
 - lead development and implementation of the regional gender implementation strategy in line with WFP’s gender policy and gender action plan;
 - ensure implementation of the provisions of WFP’s evaluation policy and strategy;
 - ensure effectiveness and efficiency in Level 2 emergency responses through coherent utilization of regional resources;
 - ensure effectiveness and efficiency of Level 3 emergency responses by providing operational guidance and regional backup;
 - serve as second line of defence in oversight of country office management and budgetary matters, including monitoring of risks and compliance with rules and regulations.
18. Table A.I.2 shows the distribution of PSA posts and costs by regional bureau and country office. The “total cost” columns include staff and non-staff costs; the total post counts include international professional and national staff.

TABLE A.I.2: PROGRAMME SUPPORT — REGIONAL BUREAUX AND COUNTRY OFFICES (USD million)									
	2015 expenditures			2016 estimated			2017 projected		
	Post counts		Total cost*	Post counts		Total cost*	Post counts		Total cost*
	Prof.	Total		Prof.	Total		Prof.	Total	
Asia and the Pacific	24	69	11.3	29	74	12.4	31	79	12.8
Middle East, North Africa, Eastern Europe and Central Asia	28	76	9.9	30	78	11.2	33	81	11.4
West Africa	29	70	10.2	32	73	11.8	34	76	12.0
East and Central Africa	24	69	10.8	26	71	11.3	31	75	12.0
Southern Africa	21	65	9.0	24	60	10.2	25	62	10.6
Latin America and the Caribbean	19	54	7.4	20	59	8.1	21	61	8.4
Country offices	99	422	40.5	102	425	43.6	104	427	78.8
TOTAL	244	825	99.1	263	840	108.7	279	861	146.0

* Staff and non-staff costs.

19. Country offices ensure that corporate priorities are implemented at the country level. Their main functions are to:
- develop partnerships with national authorities, United Nations agencies, non-governmental organizations (NGOs), civil-society groups, donors and the private sector to maximize programme effectiveness;
 - ensure alignment and complementarity with United Nations country programmes;
 - design and implement projects in accordance with WFP's policies and Strategic Plan;
 - be responsible for country strategic planning during the 2017 pilot phase;
 - ensure implementation of the country office gender action plan, in line with WFP's gender policy and regional gender implementation strategy;
 - ensure implementation of WFP's evaluation policy and strategy;
 - monitor and report on programme results;
 - ensure implementation of corporate initiatives and new tools, as appropriate;
 - be accountable for management of country-level physical, financial and human resources, including staff safety and security.

20. PSA is allocated according to country office size (see Table A.I.3).

Size	PSA allocation	Number of offices
Very large	1 Country Director	17
Large	1 Country Director plus operating costs including for national staff funded by PSA	9
Medium	1 Country Director, plus operating costs including for national staff funded by PSA	23
Small	1 Country Director, plus operating costs, including for national staff funded by PSA	19
Very small	1 Country Director, plus operating costs, including for national staff funded by PSA	15
TOTAL		83

In addition, 29 P-3 positions are allocated to country offices to provide strategic and targeted support for operations.

Programme Support – Headquarters

21. Table A.I.4 shows the PSA budget for programme support at Headquarters for 2015, 2016 (estimated) and 2017 (projected). The “total cost” columns include staff and non-staff costs, and the total post counts include international professional and national staff.

	2015 expenditures			2016 estimated			2017 projected		
	Post count		Total cost*	Post count		Total cost*	Post count		Total cost*
	Prof.	Total		Prof.	Total		Prof.	Total	
Operations Services									
Office of the AED – OS	2	4	1.0	2	4	0.9	2	4	0.9
Chief Adviser’s Office	2	3	1.1	2	3	1.3	2	3	1.3
Policy and Programme Division	24	34	7.8	27	39	7.8	37	49	10.6
Emergency Preparedness and Support Response Division	10	13	2.7	10	13	3.0	12	15	3.5
Nutrition Division	7	9	2.0	7	9	1.9	7	9	1.9
Gender Office	4	5	1.2				-	-	-
Supply Chain Division	52	96	16.7	52	96	15.8	52	96	15.5
Subtotal OS	101	164	32.5	100	164	30.7	112	176	33.7
Chief of Staff									
Regional bureau support	4	8	1.4	4	8	1.3	4	8	1.3
Subtotal OED	4	8	1.4	4	8	1.3	4	8	1.3
Resource Management									
Information Technology Division	44	61	17.1	45	62	14.8	52	71	17.7
Field Security Division	3	4	0.9	3	4	0.9	3	4	0.9
Subtotal RM	47	65	18.0	48	66	15.8	55	75	18.6
TOTAL	152	237	51.9	152	238	47.8	171	259	53.6

* Staff and non-staff costs.

Management and Administration

22. Table A.I.5 provides a breakdown of management and administration costs and the staff counts for 2015, 2016 (estimated) and 2017 (projected). The “total cost” columns include staff and non-staff costs and the total post counts include international professional and national staff.

	2015 expenditures			2016 estimated			2017 projected		
	Post counts		Total cost*	Post counts		Total cost*	Post counts		Total cost*
	Prof.	Total		Prof.	Total		Prof.	Total	
MANAGEMENT									
Office of the Executive Director and Chief of Staff	8	16	4.3	8	16	3.7	8	16	3.6
Office of the Ombudsman	1	2	0.4	1	2	0.6	1	2	0.6
Human Resources Division	40	87	13.5	41	88	13.9	41	88	13.2
Legal Office	14	19	3.6	16	21	4.4	16	21	4.3
Ethics Office	1	2	0.7	1	2	0.9	2	3	0.9
Innovation and Change Management Division	1	1	0.3	2	3	1.3	2	3	1.3
Inspector General and Oversight Office	29	34	7.8	29	34	7.8	29	34	7.6
Gender Office	-	-	-	4	5	2.0	5	6	2.0
Office of Evaluation	9	12	5.8	9	12	6.1	12	15	6.9
Sub-total OED	103	172	36.4	111	182	40.7	116	188	40.4
<i>Office of the Deputy Executive Director</i>									
Office of the DED	2	4	1.0	2	4	0.9	2	4	0.9
New York Office	5	7	2.1	5	7	2.0	5	7	2.0
Geneva Office	3	4	1.2	3	4	1.3	3	4	1.4
Addis Ababa Office	2	4	0.8	2	4	0.8	2	4	0.8
Sub-total Office of the Deputy Executive Director	12	19	5.1	12	19	5.0	12	19	5.1
<i>Partnership, Governance and Advocacy</i>									
Office of AED	2	4	1.0	2	4	1.0	2	4	1.1
Private Sector Partnerships Division	25	33	6.6	22	29	6.4	22	29	6.1
Communications Division	21	31	8.1	24	36	8.9	23	35	8.6
Partnership and Advocacy Coordination Division	4	6	1.4	5	7	1.5	5	7	1.8
Executive Board Secretariat	9	24	5.5	10	25	5.4	10	25	5.2
Rome-based Agencies and CFS Division	3	4	0.9	3	4	0.8	3	4	0.8
Government Partnerships Division	20	38	6.8	20	38	7.1	21	39	6.8
Brussels Office	4	7	1.9	4	7	1.8	4	7	1.8
London Office	1	2	0.4	-	-	-	-	-	-
Tokyo Office	3	6	1.3	3	6	1.3	3	6	1.3
United Arab Emirates Office	3	3	1.1	4	4	1.5	4	4	1.5
Washington Office	5	9	2.3	6	10	2.4	6	10	2.4
Sub-total PG	100	167	37.3	103	170	38.1	103	170	37.4
Subtotal management	215	358	78.8	226	371	83.8	231	377	82.9
ADMINISTRATION									
Office of the AED and CFO	2	4	0.9	2	4	0.9	2	4	0.9
Budget and Programming Division	18	47	7.0	19	47	7.1	18	44	6.5
Finance and Treasury Division	22	49	7.9	24	51	8.9	26	51	8.6
Performance Management and Monitoring Division	13	18	3.4	13	18	3.5	13	18	3.5
Management Services Division	11	59	15.2	10	57	13.3	11	57	13.3
Resource Management Integration and Support Division	4	5	1.2	4	5	1.2	4	5	1.1
Staff Wellness Division	5	8	1.9	5	8	1.6	5	8	1.6

TABLE A.I.5: MANAGEMENT AND ADMINISTRATION (USD million)

	2015 expenditures			2016 estimated			2017 projected		
	Post counts		Total cost [*]	Post counts		Total cost [*]	Post counts		Total cost [*]
	Prof.	Total		Prof.	Total		Prof.	Total	
<i>Subtotal RM</i>	75	189	37.4	77	189	36.6	79	187	35.5
Subtotal: administration	75	189	37.4	77	189	36.6	79	187	35.5
Central Appropriations	3	3	12.4	3	3	13.0	3	3	14.4
Staff Skills	1	1	1.0	-	-	-	-	-	2.5
Career Development Centre (CDC) Cost Excellence reallocation	-	-	-	-	-	0.4	-	-	0.5
TOTAL	293	551	129.7	305	563	133.8	313	566	135.8

* Staff and non-staff costs.

ANNEX II-1

TABLE A.II.1: ORGANIZATIONAL STRUCTURE AND PSA POSITIONS DISTRIBUTION, 2016 AND 2017

EXECUTIVE DIRECTOR			
Resource Management			
2016	Changes	2017	
ASG	1	-	1
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	1	-	1
GS	1	-	1
Operations Services			
2016	Changes	2017	
ASG	1	-	1
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	1	-	1
GS	2	-	2
Regional Bureaux			
Bangkok			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	8	-	8
P-4	11	-	11
P-3	6	-	6
P-2	1	-	1
GSNat	45	-	45
Cairo			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	6	-	6
P-4	14	-	14
P-3	6	-	6
P-2	2	-	2
GSNat	48	-	48
Dakar			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	8	-	8
P-4	13	-	13
P-3	9	-	9
P-2	2	-	2
GSNat	41	-	41
Johannesburg			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	4	-	4
P-4	13	-	13
P-3	5	-	5
P-2	1	-	1
GSNat	26	-	26
Nairobi			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	10	-	10
P-4	10	-	10
P-3	4	-	4
P-2	1	-	1
GSNat	45	-	45
Panama			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	4	-	4
P-4	13	-	13
P-3	1	-	1
P-2	1	-	1
GSNat	39	-	39
Regional Bureaux Support			
2016	Changes	2017	
D-2	-	-	-
D-1	-	-	-
P-5	1	-	1
P-4	2	-	2
P-3	-	-	-
P-2	-	-	-
P-1	1	-	1
GSNat	4	-	4
Country Offices			
2016	Changes	2017	
D-2	15	-	15
D-1	29	-	29
P-5	30	-	30
P-4	8	-	8
P-3	20	-	20
GSNat	323	-	323
Chief of Staff			
2016	Changes	2017	
ASG	1	-	1
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	-	-	-
P-3	-	-	-
P-2	-	-	-
GS	2	-	2
Office of the Executive Director			
2016	Changes	2017	
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	3	-	3
P-3	2	-	2
GS	8	-	8
Gender			
2016	Changes	2017	
D-2	-	-	-
D-1	1	-	1
P-5	1	-	1
P-4	2	-	2
P-3	1	-	1
GS	1	-	1
Office of the Ombudsman			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	1	-	1
P-4	1	-	1
GS	1	-	1
Human Resources			
2016	Changes	2017	
D-2	4	-	4
D-1	5	-	5
P-5	6	-	6
P-4	9	-	9
P-3	16	-	16
P-2	7	-	7
GS	47	-	47
Innovation and Change Management			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-4	1	-	1
GS	1	-	1
Legal Office			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	4	-	4
P-4	2	-	2
P-3	5	-	5
P-2	3	-	3
GS	5	-	5
Inspector General and Oversight Office			
2016	Changes	2017	
D-2	1	-	1
D-1	2	-	2
P-6	4	-	4
P-4	8	-	8
P-3	18	-	18
P-2	3	-	3
P-1	1	-	1
GS	5	-	5
Office of Evaluation			
2016	Changes	2017	
D-2	1	-	1
D-1	-	-	-
P-5	4	-	4
P-4	4	-	4
P-3	4	-	4
GS	3	-	3
Ethics Office			
2016	Changes	2017	
D-1	1	-	1
P-5	-	-	-
P-4	-	-	-
P-3	-	-	-
P-2	-	-	-
GS	1	-	1
Office of the DED			
2016	Changes	2017	
ASG	1	-	1
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	1	-	1
P-3	1	-	1
GS	2	-	2
Partnership, Governance and Advocacy			
2016	Changes	2017	
ASG	1	-	1
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	1	-	1
P-3	2	-	2
GS	2	-	2
Private Sector Partnerships			
2016	Changes	2017	
D-2	-	-	-
D-1	1	-	1
P-5	2	-	2
P-4	2	-	2
P-3	9	-	9
P-2	7	-	7
GSNat	12	-	12
Partnership and Advocacy Coordination			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	1	-	1
P-4	2	-	2
P-3	2	-	2
GS	2	-	2
Rome-based agencies and CFS			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	1	-	1
P-4	1	-	1
P-3	1	-	1
P-2	1	-	1
GSNat	1	-	1
Brussels, Tokyo, United Arab Emirates, Washington			
2016	Changes	2017	
D-2	-	-	-
D-1	4	-	4
P-5	2	-	2
P-4	5	-	5
P-3	1	-	1
P-2	1	-	1
GS	10	-	10
New York			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	1	-	1
P-4	3	-	3
P-3	3	-	3
P-2	-	-	-
GSNat	2	-	2
Geneva			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	1	-	1
P-4	2	-	2
P-3	2	-	2
P-2	1	-	1
GSNat	1	-	1
Executive Board Secretariat			
2016	Changes	2017	
D-2	1	-	1
D-1	1	-	1
P-5	2	-	2
P-4	5	-	5
P-3	2	-	2
P-2	-	-	-
GS	15	-	15
Government Partnerships Rome, Berlin, Madrid, Paris, Seoul			
2016	Changes	2017	
D-2	4	-	4
D-1	1	-	1
P-5	3	-	3
P-4	6	-	6
P-3	8	-	8
P-2	1	-	1
GSNat	18	-	18
Communications (incl. Copenhagen and London)			
2016	Changes	2017	
D-2	4	-	4
D-1	1	-	1
P-5	9	-	9
P-4	7	-	7
P-3	5	-	5
P-2	4	-	4
GSNat	12	-	12
Field Security			
2016	Changes	2017	
D-2	-	-	-
D-1	1	-	1
P-5	1	-	1
P-4	1	-	1
P-3	3	-	3
P-2	1	-	1
GS	1	-	1
Supply Chain			
2016	Changes	2017	
D-2	2	-	2
D-1	5	-	5
P-5	11	-	11
P-4	17	-	17
P-3	14	-	14
P-2	3	-	3
GS	45	-	45
Brasilia			
2016	Changes	2017	
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	-	-	-
P-3	-	-	-
P-2	-	-	-
GS	-	-	-
Beijing			
2016	Changes	2017	
D-2	-	-	-
D-1	-	-	-
P-5	-	-	-
P-4	-	-	-
P-3	-	-	-
P-2	-	-	-
GS	-	-	-

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
A. PROGRAMME SUPPORT – REGIONAL AND COUNTRY OFFICES															
REGIONAL BUREAUX															
Regional Bureau – Asia and the Pacific															
2016	PSA	-	-	1	2	8	11	6	1	-	29	45	-	74	
2017	PSA	-	-	1	1	8	13	8	-	-	31	48	-	79	
Regional Bureau – Middle East, North Africa, Eastern Europe and Central Asia															
2016	PSA	-	-	1	1	6	14	6	2	-	30	48	-	78	
2017	PSA	-	-	1	1	6	15	8	2	-	33	48	-	81	
Regional Bureau – West Africa															
2016	PSA	-	-	1	1	8	13	9	-	-	32	41	-	73	
2017	PSA	-	-	1	1	8	14	10	-	-	34	42	-	76	
Regional Bureau – East and Central Africa															
2016	PSA	-	-	1	1	10	10	4	-	-	26	45	-	71	
2017	PSA	-	-	1	1	10	13	6	-	-	31	44	-	75	
Regional Bureau – Southern Africa															
2016	PSA	-	-	1	1	4	13	5	-	-	24	36	-	60	
2017	PSA	-	-	1	1	4	13	6	-	-	25	37	-	62	
Regional Bureau – Latin America and the Caribbean															
2016	PSA	-	-	1	1	4	13	1	-	-	20	39	-	59	
2017	PSA	-	-	1	1	4	13	2	-	-	21	40	-	61	
Subtotal Regional Bureaux															
2016	PSA	-	-	6	7	40	74	31	3	-	161	254	-	415	
2017	PSA	-	-	6	6	40	81	40	2	-	175	259	-	434	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017															
		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
COUNTRY OFFICES															
	2016	PSA	-	-	15	29	30	8	20	-	-	102	323	-	425
		DSC	-	-	1	19	88	287	522	94	2	1 013	6 618	-	7 631
	2017	PSA	-	-	15	30	31	8	20	-	-	104	323	-	427
		DSC	-	-	19	3	83	269	494	89	2	959	5 914	-	6 873
TOTAL PROGRAMME SUPPORT – REGIONAL AND COUNTRY OFFICES															
	2016	PSA	-	-	21	36	70	82	51	3	-	263	577	-	840
		DSC	-	-	1	19	88	287	522	94	2	1 013	6 618	-	7 631
		TOTAL 2016	-	-	22	55	158	369	573	97	2	1 276	7 195	-	8 471
	2017	PSA	-	-	21	36	71	89	60	2	-	279	582	-	861
		DSC	-	-	19	3	83	269	494	89	2	959	5 914	-	6 873
		TOTAL 2017	-	-	40	39	154	358	554	91	2	1 238	6 496	-	7 734
B. PROGRAMME SUPPORT – HEADQUARTERS															
Operations Services – Office of the Assistant Executive Director															
	2016	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4
	2017	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4
Chief Adviser Office															
	2016	PSA	-	-	1	-	-	1	-	-	-	2	-	1	3
	2017	PSA	-	-	1	-	-	1	-	-	-	2	-	1	3
Policy and Programme															
	2016	PSA	-	-	1	3	7	12	4	1	-	27	-	12	39
	2017	PSA	-	-	1	4	8	16	8	1	-	37	-	12	49
Emergency Preparedness and Support Response															
	2016	PSA	-	-	1	-	2	5	1	1	-	10	-	3	13
	2017	PSA	-	-	1	-	2	5	3	1	-	12	-	3	15

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
Nutrition															
2016	PSA	-	-	2	-	1	2	2	-	-	7	-	2	9	
2017	PSA	-	-	1	1	1	3	1	-	-	7	-	2	9	
Supply Chain															
2016	PSA	-	-	2	5	11	17	14	3	-	52	-	45	96	
2017	PSA	-	-	2	5	11	17	14	3	-	52	-	45	96	
Regional Bureaux Support															
2016	PSA	-	-	-	-	1	2	-	-	1	4	-	4	8	
2017	PSA	-	-	-	-	1	2	-	-	1	4	-	4	8	
Field Security															
2016	PSA	-	-	-	1	1	1	-	-	-	3	-	1	4	
2017	PSA	-	-	-	1	1	1	-	-	-	3	-	1	4	
Information Technology															
2016	PSA	-	-	1	1	5	10	23	5	-	45	-	17	62	
2017	PSA	-	-	1	2	7	14	23	5	-	52	-	19	71	
TOTAL PROGRAMME SUPPORT – HEADQUARTERS															
2016	PSA	-	1	8	10	27	51	44	10	1	152	-	87	238	
2017	PSA	-	1	7	13	30	60	49	10	1	171	-	89	259	
C. MANAGEMENT AND ADMINISTRATION															
MANAGEMENT															
Office of the Executive Director and Chief of Staff															
2016	PSA	1	1	-	1	-	3	2	-	-	8	-	8	16	
2017	PSA	1	1	-	1	-	3	2	-	-	8	-	8	16	
Office of the Ombudsman															
2016	PSA	-	-	-	1	-	-	-	-	-	1	-	1	2	
2017	PSA	-	-	-	1	-	-	-	-	-	1	-	1	2	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
Human Resources															
2016	PSA	-	-	1	2	6	9	16	7	-	41	-	47	88	
2017	PSA	-	-	1	2	6	9	16	7	-	41	-	47	88	
Innovation and Change Management															
2016	PSA	-	-	1	-	1	-	-	-	-	2	-	1	3	
2017	PSA	-	-	1	-	1	-	-	-	-	2	-	1	3	
Legal Office															
2016	PSA	-	-	1	1	4	2	5	3	-	16	-	5	21	
2017	PSA	-	-	1	1	4	2	5	3	-	16	-	5	21	
Inspector General and Oversight															
2016	PSA	-	-	1	2	4	8	10	3	1	29	-	5	34	
2017	PSA	-	-	1	2	3	9	11	3	-	29	-	5	34	
Office of Evaluation															
2016	PSA	-	-	1	-	4	4	-	-	-	9	-	3	12	
2017	PSA	-	-	1	-	4	6	1	-	-	12	-	3	15	
Ethics Office															
2016	PSA	-	-	-	1	-	-	-	-	-	1	-	1	2	
2017	PSA	-	-	-	1	-	1	-	-	-	2	-	1	3	
Gender															
2016	PSA	-	-	-	1	1	2	-	-	-	4	-	1	5	
2017	PSA	-	-	-	1	1	2	1	-	-	5	-	1	6	
Office of the DED															
2016	PSA	-	1	-	-	-	-	1	-	-	2	-	2	4	
2017	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4	
New York															
2016	PSA	-	-	-	1	1	3	-	-	-	5	-	2	7	
2017	PSA	-	-	-	1	1	3	-	-	-	5	-	2	7	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
Geneva															
2016	PSA	-	-	-	1	1	-	1	-	-	3	-	1	4	
2017	PSA	-	-	-	1	1	-	1	-	-	3	-	1	4	
Addis Ababa															
2016	PSA	-	-	1	-	1	-	-	-	-	2	2	-	4	
2017	PSA	-	-	1	-	1	-	-	-	-	2	2	-	4	
Partnership, Governance and Advocacy – Office of the AED															
2016	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4	
2017	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4	
Private Sector Partnerships															
2016	PSA	-	-	1	1	2	2	9	7	-	22	3	4	29	
2017	PSA	-	-	1	1	2	2	9	7	-	22	3	4	29	
Communications															
2016	PSA	-	-	1	1	9	7	5	1	-	24	-	12	36	
2017	PSA	-	-	1	1	9	6	5	1	-	23	-	12	35	
Partnership and Advocacy Coordination															
2016	PSA	-	-	-	1	2	-	2	-	-	5	-	2	7	
2017	PSA	-	-	-	1	2	-	2	-	-	5	-	2	7	
Executive Board Secretariat															
2016	PSA	-	-	-	1	2	5	2	-	-	10	-	15	25	
2017	PSA	-	-	-	1	2	5	2	-	-	10	-	15	25	
Rome-based Agencies and CFS															
2016	PSA	-	-	-	1	1	-	1	-	-	3	-	1	4	
2017	PSA	-	-	-	1	1	-	1	-	-	3	-	1	4	
Government Partnerships (Rome, Berlin, Madrid, Paris, Seoul)															
2016	PSA	-	-	1	1	3	6	8	1	-	20	5	13	38	
2017	PSA	-	-	1	1	3	6	9	1	-	21	5	13	39	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
	Brussels														
2016	PSA	-	-	-	1	1	-	2	-	-	4	-	3	7	
2017	PSA	-	-	-	1	1	1	1	-	-	4	-	3	7	
	Tokyo														
2016	PSA	-	-	-	1	-	1	1	-	-	3	-	3	6	
2017	PSA	-	-	-	1	-	1	1	-	-	3	-	3	6	
	United Arab Emirates Office														
2016	PSA	-	-	-	1	-	2	1	-	-	4	-	-	4	
2017	PSA	-	-	-	1	-	2	1	-	-	4	-	-	4	
	Washington														
2016	PSA	-	-	-	1	1	2	1	1	-	6	-	4	10	
2017	PSA	-	-	-	1	1	2	1	1	-	6	-	4	10	
	Subtotal, Management														
2016	PSA	1	3	9	21	44	57	67	23	1	226	10	136	371	
2017	PSA	1	3	9	21	43	62	69	23	-	231	10	136	377	
ADMINISTRATION															
	Resource Management – Office of the Assistant Executive Director and Chief Financial Officer														
2016	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4	
2017	PSA	-	1	-	-	-	1	-	-	-	2	-	2	4	
	Budget and Programming														
2016	PSA	-	-	1	2	4	3	9	-	-	19	-	28	47	
2017	PSA	-	-	1	1	5	2	8	1	-	18	-	26	44	
	Finance and Treasury														
2016	PSA	-	-	1	1	5	4	10	3	-	24	-	27	51	
2017	PSA	-	-	1	1	5	5	10	4	-	26	-	25	51	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017															
		International professional category and above											Others		
		ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total	
Performance Management and Monitoring															
2016	PSA	-	-	-	1	3	4	5	-	-	13	-	5	18	
2017	PSA	-	-	-	1	3	4	5	-	-	13	-	5	18	
Management Services															
2016	PSA	-	-	-	1	3	2	3	1	-	10	-	47	57	
2017	PSA	-	-	-	1	3	2	4	1	-	11	-	46	57	
Resource Management Integration and Support															
2016	PSA	-	-	-	-	1	-	3	-	-	4	-	1	5	
2017	PSA	-	-	-	-	1	1	2	-	-	4	-	1	5	
Staff Wellness															
2016	PSA	-	-	-	1	1	1	2	-	-	5	-	3	8	
2017	PSA	-	-	-	1	1	2	1	-	-	5	-	3	8	
Subtotal, Administration															
2016	PSA	-	1	2	6	17	15	32	4	-	77	-	113	189	
2017	PSA	-	1	2	5	18	17	30	6	-	79	-	108	187	
Central Appropriations															
2016	PSA	-	-	-	1	1	1	-	-	-	3	-	-	3	
2017	PSA	-	-	-	1	1	1	-	-	-	3	-	-	3	
TOTAL MANAGEMENT AND ADMINISTRATION															
2016	PSA	1	4	11	28	62	73	99	27	1	305	10	249	563	
2017	PSA	1	4	11	27	62	80	99	29	-	313	10	243	566	
Adjustment Headcount HQ only															
2017	PSA	-	-	-	-	-	-	-	-	-	(20.00)	-	-	(20.00)	

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017

TABLE A.II.2: PSA AND DSC STAFFING TABLE BY APPROPRIATION LINE, 2016 AND 2017															
			International professional category and above										Others		
			ED	ASG	D2	D1	P5	P4	P3	P2	P1	Total	Field Nat. Staff	HQ and LO GS	Grand Total
GRAND TOTAL															
	2016	PSA	1	5	40	74	159	205	194	40	2	720	587	335	1 641
		DSC	-	-	1	19	88	287	522	94	2	1 013	6 618	-	7 631
		TOTAL 2016	1	5	41	93	247	492	716	134	4	1 732	7 205	335	9 272
	2017	PSA	1	5	39	76	163	229	208	41	1	743	592	332	1 666
		DSC	-	-	19	3	83	269	494	89	2	959	5 914	-	6 873
		TOTAL 2017	1	5	58	79	246	498	702	130	3	1 701	6 506	332	8 539

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																					
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
A. PROGRAMME SUPPORT – REGIONAL and COUNTRY OFFICES																					
REGIONAL BUREAUX																					
Regional Bureau – Asia and the Pacific																					
2016	6 633	2 688	542	116	7	869	188	386	77	89	336	3	7	2	479	6	0	0	0	5 795	12 428
2017	7 055	2 636	837	113	7	904	212	350	77	104	358	3	7	2	131	6	0	0	0	5 747	12 802
Regional Bureau – Middle East, North Africa, Eastern Europe and Central Asia																					
2016	6 596	1 762	287	293	20	389	268	170	55	180	584	0	55	8	529	18	0	0	0	4 618	11 214
2017	7 176	1 820	162	328	20	350	285	170	70	188	510	7	72	8	143	15	0	0	38	4 184	11 361
Regional Bureau – West Africa																					
2016	7 213	1 712	199	64	20	512	88	0	150	212	583	21	50	5	596	0	0	10	356	4 578	11 791
2017	7 621	1 987	190	40	10	683	160	25	150	246	461	22	50	5	153	0	0	10	186	4 378	11 999
Regional Bureau – East and Central Africa																					
2016	6 358	2 319	336	4	10	659	100	271	0	101	380	5	50	0	738	0	0	0	0	4 973	11 331
2017	7 254	2 299	332	10	10	640	138	251	0	132	580	5	50	0	228	30	0	0	85	4 790	12 045
Regional Bureau – Southern Africa																					
2016	5 394	2 689	0	62	8	494	50	375	69	206	206	127	89	0	279	19	0	0	174	4 847	10 241
2017	5 609	2 695	0	20	8	598	45	375	69	217	223	127	89	0	62	19	0	0	409	4 955	10 564
Regional Bureau – Latin America and the Caribbean																					
2016	4 874	2 336	105	2	3	197	29	42	135	14	124	5	13	0	167	5	0	0	0	3 177	8 050
2017	4 911	2 226	278	32	4	325	15	44	210	27	208	0	23	0	36	11	0	0	98	3 537	8 448
SUBTOTAL REGIONAL BUREAUX																					
2016	37 068	13 507	1 469	541	68	3 120	722	1 244	486	802	2 213	161	264	15	2 787	48	0	10	530	27 987	65 055
2017	39 627	13 663	1 799	543	59	3 500	855	1 215	576	914	2 340	164	291	15	752	81	0	10	816	27 592	67 219
Country Offices																					
2016	30 022	5 974	575	550	30	1 037	30	800	300	793	1 402	25	600	20	1 140	350	0	0	0	13 627	43 649
2017	29 232	5 980	600	550	30	1 100	50	800	300	1 113	1 400	25	600	20	1 500	350	0	0	50	14 468	43 699

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																					
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
Country Offices Technical Adjustment																					
2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	35 100	35 100	35 100
TOTAL PROGRAMME SUPPORT – REGIONAL AND COUNTRY OFFICES																					
2016	67 091	19 481	2 044	1 091	98	4 157	752	2 044	786	1 595	3 615	186	864	35	3 927	398	0	10	530	41 614	108 704
2017	68 859	19 643	2 399	1 093	89	4 600	905	2 015	876	2 026	3 740	189	891	35	2 252	431	0	10	35 966	77 159	146 018
B. PROGRAMME SUPPORT – HEADQUARTERS																					
Operations Services – Office of the Assistant Executive Director																					
2016	740	0	40	0	4	23	0	0	0	24	19	0	0	2	0	0	0	0	0	112	852
2017	752	0	40	0	4	62	0	0	0	24	19	0	0	2	0	0	0	0	0	151	903
Chief Adviser Office																					
2016	647	0	250	100	2	100	3	0	0	100	100	0	0	0	0	0	0	0	10	665	1 312
2017	642	0	250	83	0	100	3	0	0	95	95	0	0	0	0	0	0	0	0	626	1 267
Policy and Programme																					
2016	6 975	0	345	160	0	130	60	0	0	3	115	0	0	0	0	0	0	0	21	833	7 808
2017	8 981	0	345	160	0	629	270	0	0	12	110	0	0	0	0	0	0	0	102	1 628	10 609
Emergency Preparedness and Support Response																					
2016	2 520	0	47	406	0	0	0	0	6	51	18	0	0	0	0	0	0	0	0	528	3 048
2017	2 789	0	0	638	0	6	0	0	0	0	25	0	0	0	33	0	0	0	0	701	3 490
Nutrition																					
2016	1 845	0	13	0	0	20	0	0	0	5	17	0	0	0	0	0	0	0	8	63	1 907
2017	1 825	0	11	0	0	18	0	0	0	3	15	0	0	0	0	0	0	0	9	57	1 882
Supply Chain																					
2016	15 255	0	334	36	7	102	0	0	0	14	53	0	0	7	0	0	0	0	0	554	15 809
2017	14 955	0	334	36	7	102	0	0	0	14	53	0	0	7	0	0	0	0	0	554	15 508
Regional Bureaux Support																					
2016	1 173	0	113	5	4	0	0	0	0	0	15	0	0	0	0	0	0	0	0	137	1 310
2017	1 151	0	113	6	1	10	0	0	0	0	6	0	0	0	0	0	0	0	1	137	1 289

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																					
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
Field Security																					
2016	857	0	0	0	0	52	0	0	0	6	7	0	0	0	0	0	0	0	0	64	921
2017	849	0	0	0	0	52	0	0	0	6	7	0	0	0	0	0	0	0	0	64	913
Information Technology																					
2016	10 240	0	1 000	631	0	300	140	192	0	0	1 795	0	0	0	560	0	0	0	0	4 617	14 857
2017	11 728	0	936	706	0	330	180	192	0	3	2 954	0	0	0	688	0	0	0	0	5 990	17 718
TOTAL PROGRAMME SUPPORT – HEADQUARTERS																					
2016	40 251	0	2 142	1 338	17	726	203	192	6	202	2 139	0	0	9	560	0	0	0	38	7 573	47 824
2017	43 673	0	2 029	1 628	12	1 308	453	192	0	157	3 283	0	0	9	721	0	0	0	112	9 906	53 579
C. MANAGEMENT AND ADMINISTRATION																					
MANAGEMENT																					
Office of Executive Director and Chief of Staff																					
2016	2 983	0	50	0	40	400	30	0	0	20	110	0	0	40	0	0	0	0	0	690	3 673
2017	2 980	0	51	0	39	400	20	0	0	15	105	0	0	30	0	0	0	0	0	660	3 640
Office of the Ombudsman																					
2016	423	0	15	88	1	60	38	0	0	2	15	0	0	0	0	0	0	0	0	219	642
2017	426	0	15	88	1	60	38	0	0	2	15	0	0	0	0	0	0	0	0	219	645
Human Resources																					
2016	12 165	0	560	330	25	100	250	0	0	50	460	0	0	0	0	0	0	0	40	1 814	13 979
2017	11 839	0	372	251	25	100	250	0	0	50	360	0	0	0	0	0	0	0	0	1 407	13 247
Innovation and Change Management																					
2016	683	0	422	0	0	148	20	0	0	4	13	0	0	2	0	0	0	0	0	609	1 291
2017	675	0	283	130	0	145	20	0	0	4	25	0	0	2	0	0	0	0	0	609	1 284
Legal Office																					
2016	3 720	0	256	150	0	22	0	0	0	25	72	0	0	0	0	0	0	0	113	637	4 358
2017	3 618	0	256	150	0	12	0	0	0	25	72	0	0	0	0	0	0	0	123	637	4 255
Inspector General and Oversight Office																					
2016	6 264	0	397	238	0	520	60	2	0	129	152	0	0	0	0	0	0	0	18	1 515	7 779
2017	6 153	0	570	67	0	680	60	1	0	50	50	0	0	0	0	0	0	0	0	1 478	7 631

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																						
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL	
Office of Evaluation																						
2016	2 397	0	3 521	60	0	73	20	0	0	20	11	0	0	0	20	0	0	0	0	3 725	6 121	
2017	3 054	0	3 686	0	0	78	20	0	0	12	10	0	0	0	20	0	0	0	0	3 826	6 880	
Ethics Office																						
2016	423	0	130	200	0	40	44	0	0	7	16	0	0	0	3	0	0	0	0	10	450	873
2017	629	0	104	0	0	30	83	0	0	4	17	0	0	0	3	0	0	0	0	0	241	870
Gender																						
2016	1 066	406	400	0	0	54	20	0	0	2	28	0	0	0	0	0	0	0	0	21	932	1 998
2017	1 215	174	400	0	0	100	40	0	0	3	47	0	0	0	0	0	0	0	0	0	764	1 979
Office of the Deputy Executive Director																						
2016	682	0	30	0	5	120	0	0	0	3	3	0	0	3	0	0	0	0	0	25	189	870
2017	729	0	21	0	5	115	0	0	0	3	3	0	0	3	0	0	0	0	0	0	150	879
New York																						
2016	1 390	0	82	0	0	24	18	355	74	3	92	0	0	3	0	0	0	0	0	3	654	2 043
2017	1 371	0	150	0	0	24	10	355	74	3	37	0	0	1	0	0	0	0	0	0	654	2 024
Geneva																						
2016	832	0	170	167	0	15	6	33	6	1	33	0	8	2	0	5	0	0	0	0	446	1 278
2017	829	0	32	251	1	20	6	68	14	2	44	2	7	2	14	0	0	0	0	69	531	1 360
Addis Ababa																						
2016	583	70	0	4	2	40	3	36	2	8	25	1	8	0	0	0	0	0	0	0	200	782
2017	578	70	0	5	2	38	3	36	2	6	28	1	8	0	0	0	0	0	0	10	210	787
Partnership, Governance and Advocacy – Office of the Assistant Executive Director																						
2016	740	0	75	0	20	105	4	0	0	5	30	0	0	4	0	0	0	0	0	0	243	984
2017	752	0	75	0	20	233	4	23	0	5	30	0	0	4	0	0	0	0	0	0	394	1 146
Private Sector Partnerships																						
2016	4 326	337	365	189	10	186	45	239	20	475	177	0	0	2	4	0	0	0	0	0	2 048	6 374
2017	4 189	354	431	189	10	186	45	24	44	48	497	0	0	2	44	0	0	0	0	0	1 875	6 064
Communications																						
2016	6 532	76	1 222	0	0	56	6	171	0	72	611	0	0	4	0	0	0	0	0	139	2 356	8 888
2017	6 198	67	1 222	0	0	80	6	171	0	81	611	0	0	4	0	0	0	0	0	139	2 380	8 578

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																					
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
Partnership and Advocacy Coordination																					
2016	1 329	0	0	80	0	9	0	0	0	0	34	0	0	0	0	0	0	0	0	122	1 452
2017	1 314	0	160	60	0	52	144	0	0	0	34	0	0	0	0	0	0	0	0	449	1 764
Executive Board Secretariat																					
2016	3 691	0	0	691	43	7	18	0	0	18	102	0	0	6	0	0	385	0	397	1 666	5 357
2017	3 627	0	0	628	42	5	15	0	0	10	64	0	0	5	0	0	289	0	533	1 591	5 218
Rome-based Agencies and CFS																					
2016	817	0	4	0	0	7	2	0	0	3	10	0	0	0	0	0	0	0	0	27	843
2017	810	0	4	0	0	8	2	0	0	3	10	0	0	0	0	0	0	0	0	27	837
Government Partnerships (Rome, Berlin, Madrid, Paris, Seoul)																					
2016	5 454	275	284	344	4	167	163	75	21	144	141	2	3	3	2	0	0	0	41	1 668	7 122
2017	5 519	340	320	195	0	102	9	51	26	50	152	1	0	1	0	0	0	0	14	1 259	6 778
Brussels																					
2016	1 271	0	198	62	0	30	8	129	30	25	20	3	0	5	0	0	0	0	18	526	1 798
2017	1 265	0	199	58	0	30	2	130	30	25	28	3	0	0	0	3	0	0	20	526	1 791
Tokyo																					
2016	948	0	120	9	10	65	10	105	6	6	32	2	2	1	2	0	0	0	2	370	1 318
2017	936	0	108	9	10	60	10	114	6	6	39	2	2	1	2	0	0	0	2	370	1 306
United Arab Emirates Office																					
2016	875	350	20	0	7	71	30	0	20	15	41	5	21	7	0	0	0	0	64	650	1 524
2017	862	350	20	0	7	71	30	0	20	15	41	5	21	7	0	0	0	0	64	650	1 512
Washington																					
2016	1 670	20	181	0	0	146	0	280	0	9	64	2	0	2	47	0	0	0	22	774	2 444
2017	1 636	20	186	0	0	127	0	289	0	9	64	2	0	2	50	0	0	0	42	792	2 428
Subtotal Management																					
2016	61 262	1 534	8 502	2 611	167	2 467	794	1 424	178	1 045	2 289	15	42	83	78	5	385	0	913	22 530	83 792
2017	61 205	1 375	8 665	2 079	162	2 756	816	1 262	216	430	2 380	15	38	64	133	3	289	0	1 016	21 699	82 904

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)																					
	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
ADMINISTRATION																					
Resource Management – Office of the Assistant Executive Director and Chief Financial Officer																					
2016	771	0	0	0	6	71	0	0	0	1	7	0	0	2	0	0	0	0	0	87	857
2017	784	0	0	0	4	69	0	0	0	1	9	0	0	4	0	0	0	0	0	87	871
Budget and Programming																					
2016	6 709	0	95	141	15	9	6	0	0	14	104	0	0	0	0	0	0	0	0	384	7 093
2017	6 159	0	113	118	14	34	0	0	0	87	15	0	0	0	0	0	0	0	0	381	6 539
Finance and Treasury																					
2016	7 720	218	514	100	37	136	43	7	2	12	142	0	0	0	0	0	0	0	18	1 230	8 950
2017	7 531	301	349	92	22	97	55	7	2	8	141	0	0	0	0	0	0	0	18	1 091	8 622
Performance Management and Monitoring																					
2016	3 229	0	131	29	10	10	15	0	0	5	54	0	0	0	0	0	0	0	29	283	3 512
2017	3 189	0	80	30	15	20	15	0	0	10	71	0	0	0	0	0	0	0	26	267	3 456
Management Services																					
2016	5 820	123	530	399	100	250	250	0	2 450	1 380	1 130	250	167	0	70	0	0	0	429	7 527	13 348
2017	5 702	123	530	399	100	175	250	0	2 450	1 380	1 130	250	167	0	195	0	0	0	429	7 577	13 278
Resource Management Integration and Support																					
2016	831	0	54	235	0	21	5	0	0	10	42	0	0	0	0	0	0	0	5	372	1 203
2017	847	0	100	0	0	75	5	0	0	10	20	0	0	0	0	0	0	0	71	281	1 128
Staff Wellness																					
2016	1 356	0	91	0	0	90	75	0	0	10	20	0	0	0	0	0	0	0	0	286	1 642
2017	1 417	0	35	0	0	76	75	0	0	1	20	0	0	0	0	0	0	0	0	207	1 624
Subtotal Administration																					
2016	26 436	341	1 414	905	168	586	394	7	2 452	1 433	1 499	250	167	2	70	0	0	0	480	10 169	36 605
2017	25 628	424	1 208	639	154	546	400	7	2 452	1 497	1 405	250	167	4	195	0	0	0	544	9 892	35 520
Staff Skills and Career Development Centre																					
2016	0	0	0	0	0	0	400	0	0	0	0	0	0	0	0	0	0	0	0	400	400
2017	0	0	0	0	0	0	3 021	0	0	0	0	0	0	0	0	0	0	0	0	3 021	3 021

TABLE A.II.3: PSA BUDGET BY ORGANIZATIONAL UNIT AND BY APPROPRIATION LINE, 2016 AND 2017 (USD thousand)

	Staff Cost	Local Staff	Consultancy	Temp. Assistance	Overtime	Duty Travel	Training	Rental	Utilities, Clean. and Maint. Premises	Office Supplies and Other Office Expenses	Comm/IT Services and equipment	Insurance	Vehicle Leasing and Running Costs	Hospitality	Services from other agencies	Contribution United Nations bodies	Governing Body	Legal Services	Other	Total Non-Staff Cost	TOTAL
Central Appropriations																					
2016	4 419	0	246	0	0	80	0	0	0	303	0	1 385	0	0	2 116	3 237	0	215	984	8 566	12 985
2017	4 394	93	120	15	8	232	0	0	0	244	15	1 625	0	1	2 803	3 264	0	200	1 346	9 965	14 360
TOTAL MANAGEMENT AND ADMINISTRATION																					
2016	92 117	1 875	10 162	3 515	335	3 133	1 589	1 431	2 630	2 780	3 788	1 650	209	85	2 264	3 242	385	215	2 377	41 665	133 782
2017	91 228	1 891	9 993	2 734	325	3 534	4 237	1 269	2 668	2 171	3 801	1 890	205	69	3 131	3 266	289	200	2 905	44 577	135 805
GRAND TOTAL																					
2016	199 458	21 356	14 347	5 944	451	8 017	2 544	3 667	3 423	4 577	9 542	1 837	1 073	130	6 751	3 639	385	225	2 945	90 852	290 310
2017	203 760	21 534	14 421	5 455	426	9 442	5 596	3 476	3 545	4 354	10 823	2 079	1 096	113	6 104	3 697	289	210	38 983	131 642	335 402

ANNEX III**2017 Projected Operational Requirements and Regional Overviews****Introduction**

1. WFP's projected operational requirements for 2017 reflect the aggregated requirements of all countries, which are determined on the basis of approved project budgets and foreseen logical extensions compiled by country offices in consultation with governments and other agencies through food-security and nutrition assessments. Operational needs reflect requirements for the most vulnerable beneficiary groups and are therefore not limited by funding levels.
2. Projected operational requirements for 2017 amount to USD 9 billion,¹ with which WFP aims to provide 21 billion daily rations for 88 million beneficiaries. This is 5 percent higher than last year's projection, primarily because of continued increases in humanitarian needs for the Level 3 emergency responses in the Syrian region and southern Africa and the response to the drought crisis in Ethiopia resulting from El Niño, which together account for 37 percent of projected operational requirements; they also amount to an 81 percent increase over last year's requirements for these countries.
3. The projections are subject to review and may change over the planning period, for example because of unforeseen emergencies.² Projected operational requirements for 2018 – USD 8 billion – and 2019 – USD 7.7 billion – are therefore included for context and planning purposes; the projections are lower in 2018 and 2019 largely because of the reduction in requirements for Ethiopia, South Sudan and the Syrian region.

¹ Unless otherwise specified, all figures in this section include ISC and exclude trust funds.

² See Annex IV.

Operational Requirements by Activity and Strategic Objective

4. Table A.III.1 and Figures A.III.1 and A.III.2 show the projected operational requirements by Strategic Objective and activity.

TABLE A.III.1: 2017 OPERATIONAL REQUIREMENTS BY STRATEGIC OBJECTIVE AND ACTIVITY (USD million)					
Activity	Strategic Objective				Total
	1	2	3	4	
General distribution	5 467	167	269	-	5 903
FFA	140	483	259	7	889
FFT	10	28	21	12	72
Nutrition – prevention	189	136	34	93	452
Nutrition – treatment	137	41	0	248	426
School meals	21	267	87	290	665
HIV/TB	7	2	2	16	27
Capacity development and augmentation	265	95	74	139	573
TOTAL	6 236	1 220	746	805	9 007

Figure A.III.1:
2017 OPERATIONAL REQUIREMENT:
BY STRATEGIC OBJECTIVE

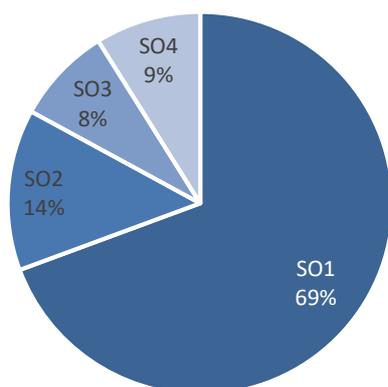
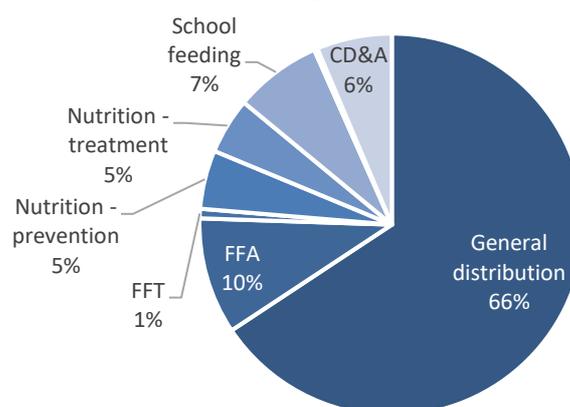


Figure A.III.2:
2017 OPERATIONAL REQUIREMENTS
BY ACTIVITY



5. General distributions, mainly under Strategic Objective 1, account for USD 5.5 billion – 66 percent of requirements; nutrition activities complementing life-saving assistance, particularly prevention, are also carried out under Strategic Objective 1. Capacity development and augmentation (CD&A) under Strategic Objective 1 covers logistics, vehicles, augmentation of information and communications technology, emergency infrastructure, United Nations common services and participation in the cluster system, accounting for 3 percent of requirements.
6. Food assistance for assets (FFA) and food assistance for training (FFT) account for 11 percent of operational requirements for 2017; they are implemented under Strategic Objective 2 and Strategic Objective 3.
7. Nutrition accounts for 10 percent of operational requirements under Strategic Objective 4: treatment of malnutrition accounts for USD 248 million, and school meals for USD 290 million.

8. CD&A, which accounts for 6 percent of requirements, is implemented mainly under Strategic Objectives 1 and 4. The objectives are to enhance national capacities with a view to transferring ownership of WFP-assisted programmes to national partners and to enhance existing government programmes. Capacity development covers technical advisory services for governments and related activities that support government hunger-reduction programmes.

Operational Requirements by Programme Category

9. Table A.III.2 outlines projected operational requirements by programme category, as estimated in the Management Plans for 2016–2018 and 2017–2019.

Activity	2016	2017
Development projects and country programmes	690	558
Emergency operations	3 716	1 889
Protracted relief and recovery operations	3 775	6 173
Special operations	400	386
TOTAL	8 581	9 007

10. Operational requirements for protracted relief and recovery operations (PRROs) will increase by 64 percent in 2017, largely as a result of changes of programme category for some operations. Requirements for operations in Ethiopia, South Sudan and the Syrian region amount to USD 3 billion – 48 percent of requirements for the PRRO category. Requirements for the Yemen emergency operation will decline by 23 percent as a result of increased cost efficiency and changing beneficiary numbers, contributing to the overall decline of requirements for EMOPs from USD 3.7 billion in 2016 to USD 1.9 billion in 2017.
11. WFP projects a 19 percent decrease in requirements for development projects (DEVs) and country programmes (CPs); special operations (Sops) will account for USD 386 million, USD 14 million less than in 2016. This reduction in the operational budget reflects the transition of some WFP programmes to national ownership.

Operational Requirements by Type of Transfer

12. Table A.III.3 shows projected operational requirements by type of transfer in 2016 and 2017. Food, CBTs, commodity vouchers and CD&A are handled separately in WFP's financial framework.

Type of transfer	2016		2017	
	USD million	%	USD million	%
Food and related direct operational costs (DOC)	4 265	53	4 665	55
CBTs and related DOC *	2 421	30	2 030	24
Commodity vouchers and related DOC	-	-	214	3
CD&A	465	6	479	6
Direct support costs	867	11	1 029	12
Subtotal	8 020	100	8 418	100
Indirect support costs	561	-	589	
TOTAL	8 581	-	9 007	

* includes cash, value voucher and commodity voucher

Food and Related Direct Operational Costs

13. Table A.III.4 shows the estimated unit cost per mt for 2016 and 2017, by food type. The average cost per mt of food is expected to fall by 7 percent from the 2016 figure.

	2016		2017		mt difference*	% difference
	Expected % share (mt)	Estimated cost per mt (USD)	Expected % share (mt)	Estimated cost per mt (USD)		
Cereals	61	357	65	347	+4	-3
Pulses	11	634	12	641	+1	+1
Mixed and blended foods	12	978	11	945	-1	-3
Oil and fat	5	995	5	825	0	-17
Other	11	821	7	873	-4	+6
TOTAL	100	546	100	510	0	-7

* The difference between the percentage share of total tonnage in the expected food basket for 2016 and the projected food basket for 2017.

14. Of the operational costs for 2017, USD 4.27 billion – 53 percent – is allocated to food and related direct operational costs – external transport, landside transport and handling and other direct operational costs.

15. Despite the recent El Niño effects, which resulted in increased use of food stocks, especially cereals, and currency devaluations against the US dollar in many developing countries, the cost of the food basket has been at historically low levels since the end of 2015. WFP's procurement is accordingly increasing its utilization of food supply agreements and the Global Commodity Management Facility (GCMF) to ensure that the right food is available at the right time and that cost efficiencies are obtained without affecting markets, lead times or food quality.
16. The El Niño is expected to cause maize prices to rise in southern Africa in late 2016 and early 2017, but there are abundant stocks of sorghum, rice and wheat until the 2017/18 harvest. The prices of pulses, vegetable oil and ingredients for special nutritious foods may increase moderately, but this will be offset through cost efficiencies.
17. The costs of external transport – transport from overseas– are estimated at USD 300 million for 2017. The external transport requirements are dependent on the sourcing and supply opportunities and this year represent a USD 52 million increase in function of the tonnage to be shipped from overseas. WFP's improved approach in optimizing the supply chain contributes to the decrease of per unit shipping costs.
18. The planned landside transport, storage and handling (LTSH) requirements for 2017 amount to USD 1.25 billion (USD 1.33 billion for 2016) out of which 81 percent planned for arrivals from overseas, and 9 percent and 10 percent to cover the costs of regional and local purchases respectively. The average estimated LTSH rate for 2017 has decreased to USD 241/mt from USD 283/mt in 2016 largely in line with the origin of commodities and the global fuel price trends. The average LTSH multi-tier rates are estimated at USD 269 for overseas, 225 for regional and 138 for local.
19. Other direct operational costs related to food transfers account for USD 382 million, 2 percent less than in 2016. The decrease is also visible in average other direct operational costs for the project categories: USD 65/mt for PRROs, USD 90/mt for EMOPs and USD 70/mt for DEVs.

Cash-Based Transfers and Commodity Vouchers³

20. CBTs and related costs account for USD 2 billion – 24 percent of projected operational requirements for 2017. Of this, 92 percent is the value transferred to beneficiaries, and 8 percent covers delivery and other costs. Commodity vouchers amount to 3 percent of the projected operational requirements, of which 78 percent is for transfer costs, and 22 percent for delivery and other costs.

TABLE A.III.5: CASH-BASED TRANSFERS <i>(USD million)</i>			Commodity vouchers
Activity	2016*	2017**	2017
Transfer	2 348	1 859	166
Delivery	52	69	47
Other	191	102	1
TOTAL	2 591	2 030	214

* Includes cash, value voucher and commodity voucher.

** Includes cash and value voucher only.

21. Table A.III.6 indicates that USD 802 million of CBT is in the form of cash and USD 1.2 billion in vouchers for food or cash-based transfer value equivalent. Among the regions, the largest total cash transfers are planned for the Nairobi regional bureau.

³ Figures in this section exclude DSC and ISC.

TABLE A.III.6: 2017 CASH-BASED TRANSFER AND COMMODITY VOUCHER BREAKDOWN (USD million)				
Regional bureau	Cash	Value Vouchers	Commodity Voucher	Total
RBB	59	22	-	81
RBC	175	1 039	197	1 411
RBD	152	31	7	190
RBJ	122	14	8	144
RBN	269	103	3	375
RBP	24	18	-	41
TOTAL	802	1 227	214	2 244

22. In 2017, WFP plans to transfer 92 percent of its CBT budget through PRROs, under Strategic Objective 1. More than 89 percent of the commodity vouchers share on the other hand, will be transferred through EMOPs, also under Strategic Objective 1.

Capacity Development and Augmentation

23. CD&A supports national institutions in the management of food security programmes. In 2017, USD 572 million will be required – 6 percent of operational requirements (see Table A.III.7).

TABLE A.III.7: CAPACITY DEVELOPMENT AND AUGMENTATION COSTS BY STRATEGIC OBJECTIVE AND PROJECT TYPE (USD million)*					
	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4	Total
DEV and CP	2	14	31	53	100
EMOP	1	-	0	1	2
PRRO	6	10	31	37	85
SO	256	71	12	48	386
TOTAL	265	95	74	138	572

* Including ISC and DSC.

24. Of the USD 572 million required overall for CD&A, USD 386 million – 67 percent – will be allocated to 30 Sos in which WFP will provide logistics and operate the United Nations Humanitarian Air Service, and will support the food security, emergency telecommunications and logistics clusters. The Sos in DRC, South Sudan and Yemen will account for 50 percent of the CD&A budget for the category.
25. WFP is providing more country-level capacity enhancement and technical assistance as more countries achieve middle-income status and economic stability: USD 187 million will be allocated to these activities. WFP upgraded its capacity development tools in 2015: its guidance on the design and implementation of technical assistance and capacity development helps country offices to develop national and local approaches to the achievement of Zero Hunger.
26. WFP plans to allocate USD 185 million to CD&A in 44 DEVs and 38 PRROs in 64 countries with a view to enhancing national capacities to design and implement programmes for food assistance, needs assessment, disaster risk management, market access for smallholder farmers and food fortification.

Direct Support Costs

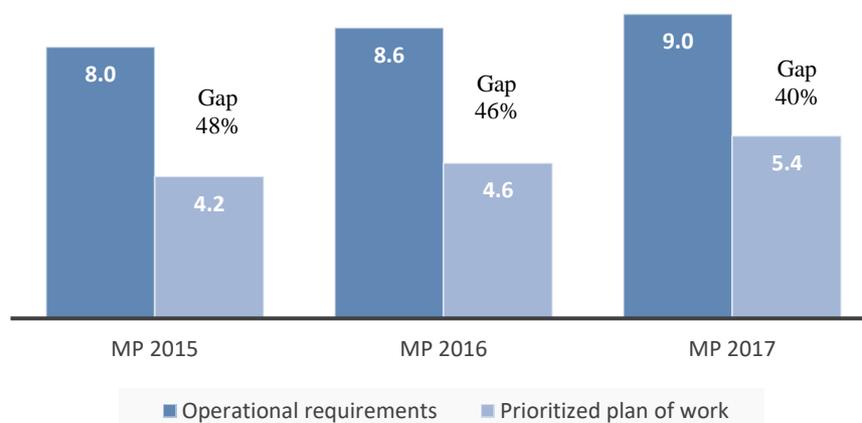
27. Direct support costs are estimated at USD 1.1 billion – 12.2 percent of operational requirements: staff and related costs account for 49 percent and equipment, recurring expenses and other costs for the remainder. Table A.III.8 shows recent annual increases in DSC as a percentage of operational requirements. Because of insecurity and the resulting high support costs, operations in South Sudan, Yemen and the Syrian Arab Republic share the highest increase in direct support costs since 2016. However, the global proportions of staff and non-staff costs have levelled over the years as a result of increasing efficiency in WFP’s delivery of assistance.

2014 actual	2015 actual	2016 estimated	2017 estimated
12.0	10.2	10.8	12.2

Comparison of Operational Requirements and the Prioritized Plan of Work

28. The 2017 prioritized plan of work amounts to USD 5.4 billion, which is 60 percent of projected operational requirements. The funding gap between the prioritized plan of work and projected operational requirements has decreased from the 2015 level.

Figure A.III.3: Operational Requirements vs. Prioritized Plan of Work 2015-2017



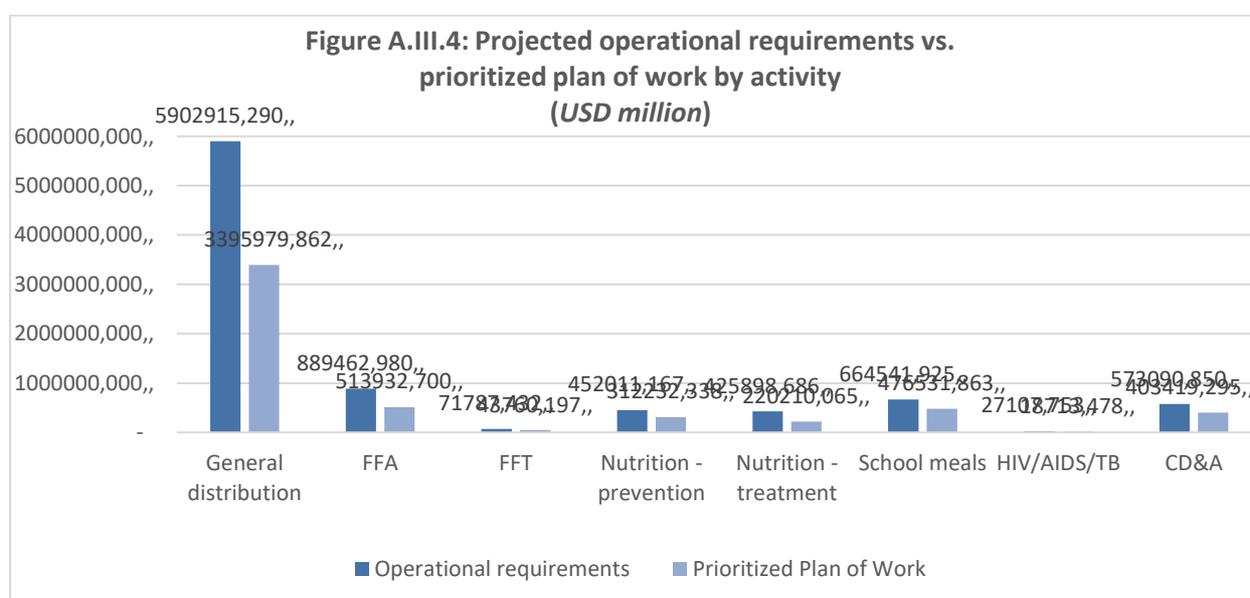
29. To offset the effects of the funding gap, managers prioritize activities by targeting the most vulnerable beneficiaries, adjusting ration sizes and/or reducing the duration of assistance.

	Projected operational requirements	Prioritized plan of work	% difference
Funding (<i>USD million</i>)	9 007	5 385	-40
Direct beneficiaries (<i>million</i>)	85	69	-20
Daily rations (<i>billion</i>)	21	16.5	-21

30. Table A.III.10 compares projected operational requirements and the prioritized plan of work by Strategic Objective.

TABLE A.III.10: PROJECTED OPERATIONAL REQUIREMENTS VS. PRIORITIZED PLAN OF WORK BY STRATEGIC OBJECTIVE (USD million)			
	Operational requirements	Prioritized plan of work	Prioritized plan of work vs. operational requirements (%)
Strategic Objective 1	6 236	3 651	59
Strategic Objective 2	1 220	745	61
Strategic Objective 3	746	493	66
Strategic Objective 4	805	497	62
TOTAL	9 007	5 385	60

31. Figure A.III.4 compares projected operational requirements and the prioritized plan of work by activity.



32. General distributions constitute the largest activity – USD 5.9 billion in operational requirements and USD 3.4 billion in the prioritized plan of work; this is a 42 percent reduction in the prioritized plan of work. The two activity types with the smallest difference between the original plan and the prioritized plan of work are school meals – 28 percent – and CD&A – 30 percent.
33. Table A.III.11 compares projected operational requirements and the prioritized plan of work by type of transfer.

TABLE A.III.11: PROJECTED OPERATIONAL REQUIREMENTS VS. PRIORITIZED PLAN OF WORK BY TYPE OF TRANSFER (USD million)			
Type of transfer	Projected operational requirements	Prioritized plan of work	Prioritized plan of work vs. projected operational requirements (%)
Food and related costs	4 665	2 806	60
Cash-based transfers and related DOC	2 030	1 149	57
Commodity voucher and related DOC	214	120	56
Capacity development and augmentation	479	339	71
DSC	1 029	619	60
TOTAL	8 418	5 033	60
ISC	589	352	60
GRAND TOTAL	9 007	5 385	60

34. Food and related costs account for USD 4.7 billion of projected operational requirements and USD 2.8 billion of the prioritized plan of work – a 40 percent reduction from the operational plan.
35. The smallest difference is in CD&A – 29 percent; the largest differences are in CBTs – 43 percent and commodity vouchers – 44 percent.

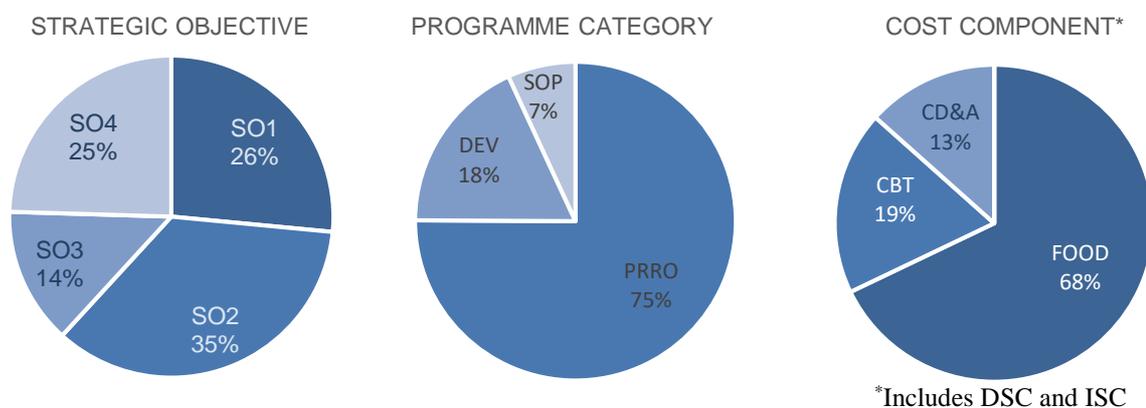
Regional Overviews⁴

Bangkok Regional Bureau – RBB

Priorities: nutrition, preparedness, urban food security, development.

TABLE A.III.12: RBB OPERATIONAL REQUIREMENTS FOR 2017	
Operational requirements	USD 578 million (2016: USD 849 million)
No. of daily rations	2.01 billion (2016: 2.6 billion)
Tonnage of food	348 000 mt (2016: 558 000 mt)
No. of operations	20 (2016: 19)
Countries with planned operations	Afghanistan, Bangladesh, Bhutan, Cambodia, Democratic People's Republic of Korea, India, Indonesia, Lao People's Democratic Republic, Myanmar, Nepal, Pakistan, the Philippines, Sri Lanka, Timor-Leste
Country-specific trust funds	USD 21.4 million

⁴ Unless specified otherwise, figures in this section include ISC and exclude trust funds.

Figure A.III.5: RBB operational requirements 2017

36. The region is characterized by economic growth and the emergence of middle-income countries, but the gains are unevenly distributed and poverty and undernourishment persist. The demographics of hunger and vulnerability are changing as people migrate to cities, and the achievement of gender equality remains a challenge in spite of recent improvements in women's education, health and employment. The region is placed fifth of the six regions in the Gender Gap Index.⁵
37. RBB focuses on the prevention of stunting, investment in government food-based safety-nets, building community resilience and enhancement of disaster preparedness. Funding challenges are to be expected as countries achieve middle-income status and governments increase their own work to achieve the SDGs. Over the next three years RBB will roll out CSPs in most countries, placing WFP as a major partner for governments in work to achieve SDG 2.
38. In 2017, RBB will provide direct assistance for 12 million people in 14 countries; needs-based operational requirements amount to USD 578 million. In India and Indonesia, assistance is shifting from direct food deliveries as WFP increases its CD&A activities at government institutions with a view to improving the efficiency of targeted food assistance programmes and sharing knowledge on food and nutrition security. Countries with the largest CD&A programmes for 2017 are Afghanistan – USD 33 million, the Philippines – USD 13 million, and Pakistan – USD 9 million.
39. An estimated 9 million beneficiaries are supported by PRROs: the largest number are in Afghanistan and Pakistan, where WFP has refocused its operations to address access, security and capacity challenges and is responding to high rates of malnutrition and displacement, improving school attendance and minimizing community-level disaster risks. The long-term aim is to facilitate a secure future for the sub-region. The PRRO in Myanmar promotes equitable development and national reconciliation by reducing poverty, food insecurity and undernutrition and increasing resilience. The Philippines PRRO will continue to target food-insecure communities affected by conflict in central and western Mindanao, and will include work to enhance institutional capacities for disaster preparedness and response. The PRRO in Nepal will support the recovery of food and nutrition security in areas affected by the earthquake and will promote infrastructure construction and livelihood recovery in accordance with government plans.
40. Assistance will target food-insecure and undernourished populations, IDPs, returnees and other vulnerable communities. The main activities will be general food distributions, asset creation, school meals and nutrition.

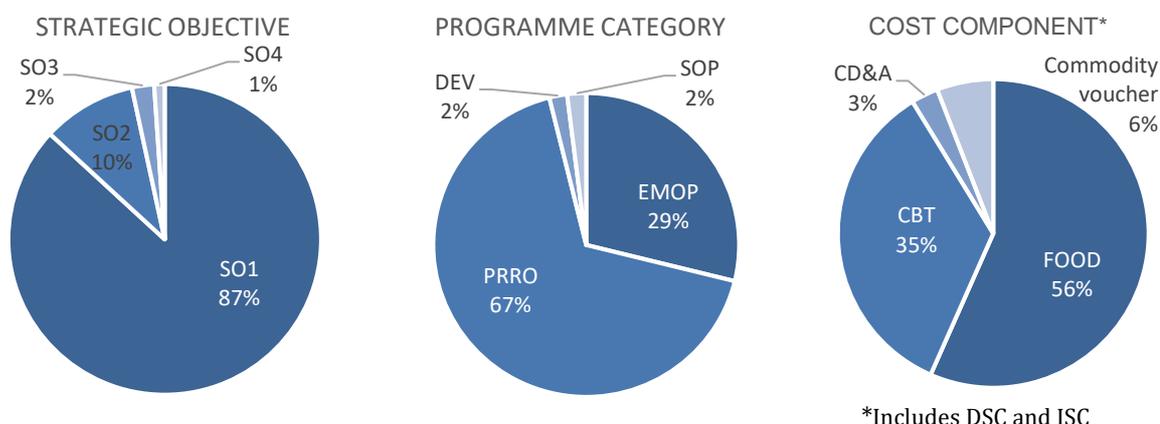
⁵ See: <http://reports.weforum.org/global-gender-gap-report-2015/the-global-gender-gap-index-results-in-2015/>

41. WFP recognizes that gender-sensitive approaches can enhance the effectiveness of assistance and promote sustainable results: the Asia-Pacific Gender Implementation Plan accordingly gives country offices the flexibility to design context-specific approaches. The regional bureau will support country offices in implementing the Gender Action Plan with a view to enhancing nutrition security.
42. WFP and the United Nations Children’s Fund (UNICEF) will address moderate acute malnutrition and stunting through local-level projects, and will promote improved access to special nutritious foods by engaging with governments to develop appropriate policies and providing direct support for populations at risk. Consumption of fortified rice will be promoted to minimize micronutrient deficiencies, and rice fortification will be scaled up on the basis of trials being carried out in Bangladesh and Cambodia: the long-term objective is to make it available for healthcare, nutrition and safety-net programmes, and in markets at affordable prices.
43. Given that emergency responses depend on government capacities in preparing for and responding to disasters, WFP will continue to work with national disaster-management organizations, regional bodies such as the Association of Southeast Asian Nations (ASEAN) and the military. WFP’s experience in the logistics, emergency telecommunications and food security clusters will contribute to this, and to RBB’s work with the Office for the Coordination of Humanitarian Affairs (OCHA) on emergency preparedness in Bangladesh, Indonesia, Myanmar, Nepal, the Philippines and the Pacific Island Nations.
44. The regional bureau will introduce delivery modalities and business processes that enable adjustments to the balance of food, cash and voucher transfers. In the short term, CBTs will be utilized in relief, asset-creation and sustainable livelihoods projects; studies are also being conducted in relation to nutrition programming.
45. In 2017, WFP will operate in strategic partnerships with the RBAs, the Asian Development Bank and the private sector to promote sustainable food and nutrition security, with a focus on context-specific solutions.
46. Monitoring and evaluation will support the measurement of performance and communication of results with a view to optimizing country-level programmes and deriving evidence on which to base future interventions. Governments will be supported in developing capacities in these areas, particularly to track progress towards the SDGs.

Cairo Regional Bureau – RBC

Priorities: risk reduction, emergency preparation, resilience-building, capacity development, social protection and safety net systems, adaptation to climate change

TABLE A.III.13: RBC OPERATIONAL REQUIREMENTS IN 2017	
Operational requirements	USD 4 031 million (2016: USD 3 611 million)
No. of daily rations	9.48 billion (2016: 7.8 billion)
Tonnage of food	2.2 million mt (2016: 1.3 million mt)
No. of operations	26 (2016: 28)
Countries with planned operations	Algeria, Armenia, Egypt, Iraq, Islamic Republic of Iran, Jordan, Kyrgyz Republic, Lebanon, Libya, Morocco, State of Palestine, the Sudan, Syrian Arab Republic, Tajikistan, Tunisia, Turkey, Ukraine, Yemen
Country-specific trust funds	USD 7.7 million

Figure A.III.6: RBC operational requirements 2017

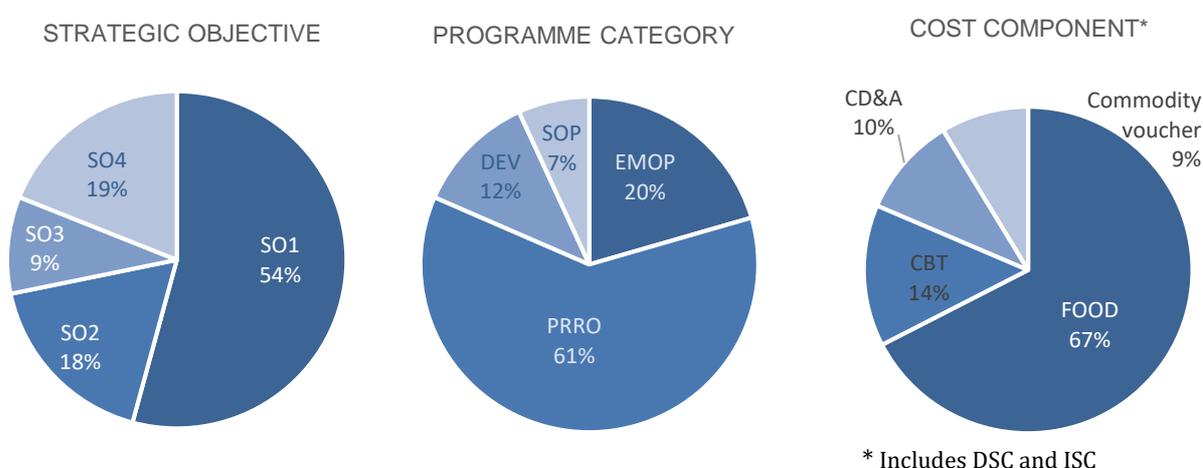
47. Given the changing operational environment, WFP will implement short-term and medium-term operations simultaneously to respond to humanitarian needs, protect livelihoods, support recovery and resilience-building, address the causes of food insecurity and develop national capacities for sustainable development.
48. In recent years RBC has managed the Level 3 emergency responses in Iraq, the Syrian region and Yemen and the Level 2 responses in Libya and Ukraine, and engaged with governments in middle-income countries with a view to enhancing safety nets. Given the protracted nature of these crises, RBC will implement livelihood and resilience operations that contribute to achieving Zero Hunger and the SDGs.
49. In the Syrian Arab Republic and refugee host countries WFP's Vision 2020 initiative will support a transition to resilience-building in partnership with other actors, and the promotion of sustainable food security through education, livelihood opportunities, market access and enhancement of national systems; a significant relief component will be retained. In the Syrian Arab Republic itself, general distributions will be scaled up, primarily under Strategic Objective 1, with a small percentage of CBTs adapted to school meals, nutrition and FFA programmes. In refugee host countries WFP will support food assistance, CBTs, school meals and livelihood programmes for refugees and host communities.
50. The conflict in Yemen has aggravated food and nutrition insecurity and limits WFP's ability to reach needy populations. The current EMOP will accordingly continue until the end of 2017 to address the needs of food-insecure people. WFP provides treatment for acute malnutrition and implements activities to prevent acute and chronic malnutrition among children under 5 and pregnant and lactating women. General distributions are utilized to address food insecurity among refugees and migrant populations; school meals are supported in camps and reception centres.
51. Conflict continues to affect many areas in Iraq, and further displacements are expected in 2017. WFP will provide food-insecure IDPs with family food parcels and immediate-response rations; it will also provide CBTs for IDPs in stable areas such as the Kurdistan Region and Baghdad. WFP works with the Ministry of Trade to synchronize activities with the Public Distribution System. School meals will be continued in stable areas to address micronutrient deficiencies, restore attendance and reduce drop-outs.
52. Increased insecurity in the first half of 2016 in the Sudan and South Sudan led to significant population movements. It is anticipated that most IDPs and refugees will require WFP food assistance in 2017. The nutrition programme will be expanded under the national Community-Based Management of Acute Malnutrition plan, home-based food fortification programmes and the integration of treatment and prevention activities. The school meals programme will continue as WFP negotiates the hand-over to national ownership. WFP will provide relief

- assistance through general distributions and FFA in rural communities affected by El Niño. Food security and nutrition are expected to remain at current levels in 2017–2019.
53. The combination of natural disasters, climate change, low socio-economic indicators and inefficient risk management requires programmes for disaster risk reduction, early warning and emergency preparedness. Increased local food production will accordingly remain a priority, and WFP will support FFA in Armenia, Egypt, Iraq, Lebanon, the Sudan, the Syrian Arab Republic, the Kyrgyz Republic, Tajikistan and Ukraine.
 54. Given that school meals address social protection and gender equity issues, WFP and its partners will promote education and ensure adequate nutrition for children; RBC will foster a home-grown school meals approach and links between school meals and farmers so that schoolchildren receive nutritious food and smallholders increase their incomes.
 55. Nutrition challenges include acute and chronic malnutrition, micronutrient deficiencies and obesity. The 2014 *State of Food Insecurity in the World* showed that the Middle East and North Africa region is the only one where the number and proportion of undernourished people are increasing. WFP will therefore help to build the capacities of national counterparts in measuring and addressing nutritional challenges through monitoring, assessments and behaviour change communication.
 56. Gender equity issues generally involve disadvantages for women in political processes, the labour market and access to productive assets; displaced women, girls and boys are particularly at risk of gender-based violence. RBC has finalized its gender policy implementation strategy for 2016–2020 and will work with country offices to promote gender equality and women’s empowerment in line with the United Nations System-Wide Action Plan.
 57. The utilization of CBTs and RBC’s intended shift to unrestricted cash will help to make humanitarian interventions more effective and context-specific; RBC also uses the One Card approach with its partners to deliver various services in a unified system.
 58. RBC works with governments and national partners to ensure alignment with national plans: this includes gradual hand-over of WFP activities to governments. Partnerships with inter-governmental organizations such as the League of Arab States and technical and academic institutions will be prioritized. WFP operates UNHAS passenger transport in the Sudan and Yemen, leads the emergency telecommunications and logistics clusters and co-leads the food security cluster with FAO.

Dakar Regional Bureau – RBD

Priority: capacity development.

TABLE A.III.14: RBD OPERATIONAL REQUIREMENTS IN 2017	
Operational requirements	USD 1 073 million (2016: USD 1 204 million)
No. of daily rations	2.03 billion (2016: 2.3 billion)
Tonnage of food	484 000 (2016: 644 000 mt)
No. of operations	38 (2016: 35)
Countries with planned operations	Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Côte d’Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, the Niger, Nigeria, São Tomé and Príncipe, Senegal, Sierra Leone, Togo
Country-specific trust funds	USD 3.5 million

Figure A.III.7: RBD operational requirements 2017

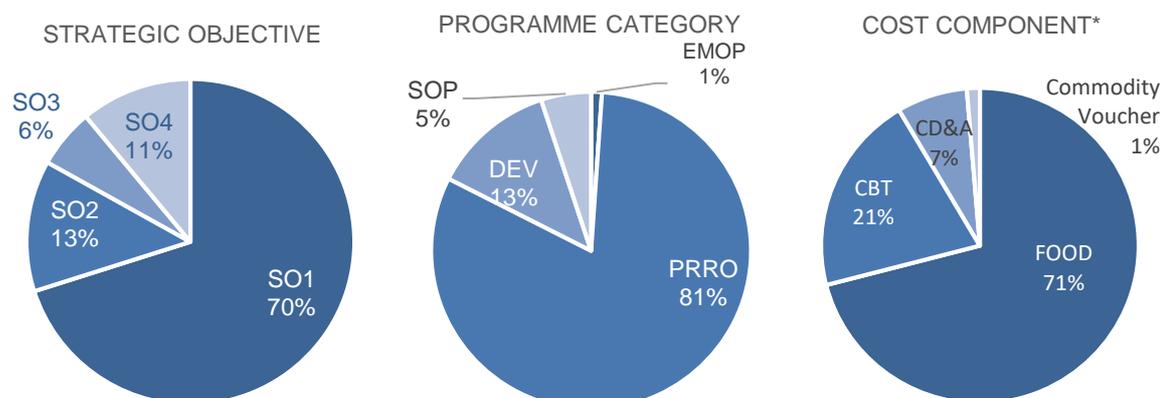
59. The region is affected by conflict and displacement, chronic hunger and malnutrition, and climate change: RBD accordingly focuses on food and nutrition support for conflict-affected and displaced people, assistance for refugees, and expansion of CBT and home-grown school meals programmes. It also works to promote a gender-considerate operational environment. In countries affected by Ebola, RBD will expand school meals programmes and introduce the home-grown approach in partnership with small-scale farmers.
60. Malnutrition is a major public health concern; rates of wasting and stunting remain high, and in the Sahel lean-season shortages result in reduced food consumption and increased morbidity among children, exacerbating chronic acute malnutrition and mortality rates. RBD is expanding activities supporting adolescent girls with a view to breaking the inter-generational cycle of undernutrition, and will implement nutrition-sensitive interventions to address undernutrition.
61. Frequent droughts and flooding mean that vulnerable people do not have time to recover from a shock before the next one occurs. RBD accordingly seeks to mitigate the effects of shocks and enhance resilience by ensuring that food assistance is integrated into long-term programmes that enable people to meet their own food needs in the short, medium and long-term.
62. Targeted distributions of food and cash support food-insecure and undernourished beneficiaries; participatory asset-creation activities promote long-term resilience and minimize the need for negative coping mechanisms in times of shock. School meals will help to improve enrolment and attendance, and to enhance girls' education where gender parity is lacking.
63. Insecurity in the Central African Republic, northern Mali and northern Nigeria constrains access to delivery sites, compromises the safety of staff and beneficiaries and often leads to looting of resources. As a result, operational costs are high and staff numbers reduced in places where needs are greatest. RBD is improving its access corridors and establishes alternative routes when they become insecure or are blocked, for example by flooding. In remote locations, food stocks are pre-positioned to ensure that people have enough to eat in lean seasons and periodic rains – but this is only possible when funding is available for early food deliveries.
64. RBD plans to support 14 million beneficiaries in 2017 – 6.4 million men and 7.5 million women. Life-saving general food distributions will remain the priority for funding, accounting for 50 percent of expenditures. It should be noted, however, that funding challenges have at times forced WFP to suspend food and nutrition assistance for refugees and displaced people or reduce rations to levels that do not adequately meet nutrition requirements.

65. Utilization of CBTs is increasing: in Nigeria they now account for 46 percent of the regional EMOP budget, 21 percent in Chad and 13 percent in the Central African Republic. Assistance in Ghana is 100 percent CBT-based. In Nigeria CBTs are utilized exclusively for food-security activities to take advantage of local production and distribution capacities. The country offices in Benin, Cameroon and Guinea Bissau are diversifying their transfer modalities to include CBTs, bringing the number of countries using a market-based approach to sixteen.
66. Capacity development continues to be a priority. In 2017, WFP will invest in the enhancement of national capacities to implement food security and nutrition programmes supported by technical and food-assistance programmes with a view to eventual hand-over to governments: this approach is being implemented in Côte d'Ivoire, The Gambia, São Tomé and Príncipe and Togo.
67. RBD is collaborating with *Médecins sans frontières* in Chad, Mali and the Niger to address stunting and wasting with complementary feeding for children aged 6–23 months and a health package of immunization and prevention and treatment of malaria, diarrhoea and acute respiratory tract infections. The three-pronged approach (3PA) is used for resilience-building activities, placing people at the centre of planning. The country offices in Burkina Faso, Chad, the Niger and Senegal will train staff in the skills of evidence-based programming. Community-based participatory planning and seasonal livelihood planning are being implemented in Benin, Burkina Faso, Chad, Mali, the Niger and Senegal; they will be in place in Mauritania by the end of 2016. Discussions are under way to roll out 3PA in Ghana, Guinea, Liberia and Sierra Leone.
68. The work of RBD involves partnerships with organizations such as the Global Alliance for Resilience Initiative, the Permanent Inter-State Committee on Drought Control in the Sahel (CILSS), the Zero Hunger Strategy, the Economic Community of West African States (ECOWAS) and regional and national programmes for agricultural investment, health and education. An RBD guidance note in January 2016 stressed the importance of partnerships to promote sustainable resilience and development in alignment with the priorities of governments in the region.

Johannesburg Regional Bureau – RBJ

Priorities: capacity development, emergency preparedness.

Operational requirements	USD 810 million (2016: USD 559 million)
No. of daily rations	2.55 billion (2016: 1.7 billion)
Tonnage of food	593,000 mt (2016: 355,000 mt)
No. of operations	26 (2016: 23)
Countries with planned operations	The Congo, Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mozambique, Swaziland, United Republic of Tanzania, Zambia, Zimbabwe
Country-specific trust funds	USD 21.2 million

Figure A.III.8: RBJ operational requirements 2017

* Includes DSC and ISC.

69. In 2016 El Niño caused the worst drought in 35 years in southern Africa, affecting Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland and Zimbabwe, which resulted in severe food and water shortages and consequent malnutrition, school drop-outs, disease and migration to towns.
70. South Africa, the main producer of maize, anticipates that the 2016 crop will be 29 percent less than the 2015 crop. In five Southern Africa Development Community (SADC) countries stunting levels are 40 percent among children under 5. In view of prevailing high food prices, limited economic performance and currency depreciation, RBJ will significantly increase direct food assistance in 2017.
71. Recovery requires favourable harvests in April and May 2017. A possible La Niña may bring greater rainfall and crop yields, which would make a significant contribution to recovery for poor households.
72. The 2016 SADC vulnerability assessment showed that 40 million people could experience food insecurity until March 2017, of whom 23 million may require emergency assistance in the January-March lean season. These figures could rise in the October and November assessments.
73. In July 2016, SADC declared a regional disaster and appealed for USD 2.4 billion to address needs in Angola, Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Swaziland, Zambia and Zimbabwe for 12 months; an associated Regional Inter-Agency Standing Committee (RIASCO) action plan will govern the RBJ response operations, which will assist 12 million people.
74. Much of the assistance will be delivered through large-scale relief programmes with a view to building resilience, managing risk, adapting to climate change and breaking the seasonal cycle of hunger. School meals and programmes to address stunting will continue in alignment with national social-protection programmes. The RBJ responses will be HIV-specific to ensure that previous development gains are not compromised.
75. Nutrition interventions will be aligned with ARISE and Scaling Up Nutrition (SUN) objectives, targeting adolescent girls, young children and pregnant and lactating women. Projects to test the prevention of stunting through different modalities – the Children’s Investment Fund in Malawi is an example – will generate lessons for application in country programmes.

76. In partnership with NGOs, the Global Alliance for Improved Nutrition (GAIN) and private-sector entities RBJ will support governments in the development of policies and guidelines for food fortification and capacity development for policy implementation. Food fortification will be promoted through technical support for the production of complementary foods for young children and nutritional products for people living with HIV.
77. In line with Strategic Objectives 3 and 4, RBJ will develop partnerships to promote conservation agriculture and climate risk insurance schemes on the basis of R4 experience in Malawi and Zambia. Roll-out of resilience tools such as 3PA will continue, and WFP will support smallholder farmers, market development and community adaptation to climate change on the basis of the Food Security Climate Resilience facility (FoodSECuRE) pilot in Zambia, which prompted the early response to the 2015/16 drought.
78. Governments expect WFP to leverage its experience to assist them in the development of social protection systems while maintaining its response capacities. RBJ will accordingly promote the development of safety nets, enhance school meals and mother-and-child health and nutrition, and establish risk-reduction and agricultural insurance systems. It will support governments with related policy development and ensure that all approaches take nutrition, gender and HIV issues into account.
79. With the United Nations country teams and other stakeholders, RBJ will enhance national capacities to implement SDG targets 17.9 and 17.14, and will assist governments in the development of food safety policies. Food procurement will rely on local and regional purchases when conditions are favourable. RBJ will promote market access with FAO and IFAD, and will ensure that a percentage of GCMF targets smallholder farmers, particularly women.
80. The partnership with South Africa will build the capacities of smallholder farmers through an initiative involving the United Nations Development Programme (UNDP) and FAO with a view to linking them to the national school meals programme and helping them to access markets. RBJ will use studies such as the Cost of Hunger, Cost of Diet or Investment Cases for School Feeding in its advocacy work.
81. The regional priorities for 2017 are:
 - development of staff capacities and optimization of systems;
 - partnerships to reposition WFP, and identification of new collaborators, especially for nationally owned interventions;
 - promotion of evidence-based programming, operational research and capacity assessments;
 - advocacy to place food and nutrition security high on national agendas, with WFP as preferred partner for governments; and
 - sustainable funding.

Nairobi Regional Bureau – RBN

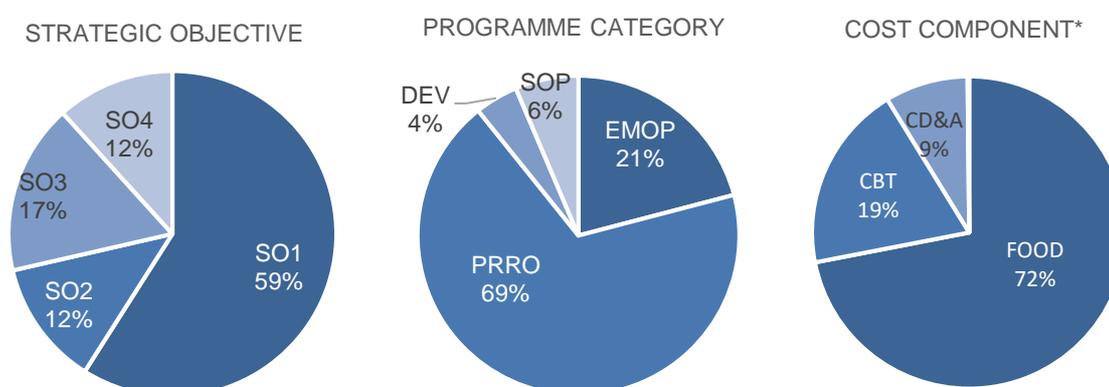
Priorities:

Meet immediate food and nutrition needs resulting from natural disasters and conflict; reduce undernutrition among children and pregnant and lactating women; build resilience through enhanced government response structures, safety nets and asset creation.

RBN will expand the utilization of CBTs, and will enhance gender and protection analysis and mainstreaming.

TABLE A.III.16: RBN OPERATIONAL REQUIREMENTS IN 2017	
Operational requirements	USD 2 384 million (2016: 2 226 million)
No. of daily rations	4.7 billion (2016: 4.9 billion)
Tonnage of food	1.6 million mt (2016: 1.4 million mt)
No. of operations	24 (2016: 28)
Countries with planned operations	Burundi, Djibouti, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Uganda
Country-specific trust funds	USD 13.5 million

Figure A.III.9: RBN operational requirements 2017



*Includes DSC and ISC

82. Poverty and hunger in eastern and central Africa are driven by political, environmental, economic and social challenges. Drought, conflict and other shocks, which often lead to massive population displacements, are major vulnerability issues. WFP's work goes beyond life-saving assistance as its operations build resilience to food insecurity, support national social protection systems and enhance food markets, thereby reducing undernutrition, and enhancing emergency-response capacities. All this is carried out in partnership with other actors committed to enabling communities and countries to meet their food and nutrition needs.
83. The drought caused by El Niño, the worst in 50 years, significantly increased requirements for Ethiopia in 2016. The South Sudan Level 3 emergency response is addressing increased food insecurity despite the peace agreement: fighting in Juba in July 2016 caused further displacement of civilians. The Level 2 response in Somalia could experience a significant increase in beneficiaries after the closure of Dadaab refugee camp. The political and security crisis in Burundi caused the economy to contract by 7 percent in 2015, which led to a significant increase in food insecurity.

84. Operational requirements for 2017 are USD 2.4 billion, a 7 percent increase from 2016. The number of beneficiaries will increase from 14.7 million in 2016 to 18.1 million in 2017, largely as a result of the increase in the Ethiopia relief operation and an expansion of the South Sudan PRRO.⁶ Emergency response under Strategic Objective 1 is the operational priority and accounts for 59 percent of 2017 requirements in the region.
85. The 2.5 million refugees in the region live in 70 camps and settlements. WFP will continue to support the Office of the United Nations High Commissioner for Refugees (UNHCR) in ensuring that the acute needs of refugees are met and in promoting livelihoods and self-reliance. The Refugee Targeting Technical Advisory Group set up by RBN will establish a targeting mechanism to: i) determine whether targeting is advisable; and ii) which model to utilize to meet the particular needs of each camp.
86. WFP will continue to operate UNHAS, and will optimize humanitarian coordination through its cluster leadership responsibilities for logistics, emergency telecommunications and food security.
87. RBN will continue to support the building of community resilience to shocks by supporting government response systems, safety nets and asset-creation in partnership with FAO and UNICEF. Resilience investments under Strategic Objective 3 account for 17 percent of the operational budget.
88. Reducing undernutrition among children, pregnant and lactating women and people affected by HIV/TB is a major objective: WFP will work with governments, UNICEF, the African Union Nutrition Strategy, the Renewed Efforts Against Child Hunger and Undernutrition initiative (REACH), SUN and the 1,000 Days partnership to address child and adult undernutrition through targeted food and nutrition assistance. In 2017 WFP's nutrition-sensitive programming will address the determinants of malnutrition in line with the shift to SDG 2. Requirements under Strategic Objective 4 will increase by 49 percent in 2017.
89. Capacity development and augmentation, which will feature prominently in the forthcoming reviews preceding the establishment of CSPs, accounts for 8 percent of requirements for 2017. Governments in the region are requesting support in the areas of vulnerability analysis, supply chains, food assistance planning – including cash-based programming – and social protection and home-grown school meals programmes. To enhance capacity development for host governments RBN has set up a partnership with MSB, the Swedish disaster-management agency.
90. Utilization of CBTs will double in 2017: Ethiopia and Uganda are planning to increase the use of CBTs in refugee operations and South Sudan will expand FFA using cash in 2017. In Kenya, cash is provided for schools to enable them to purchase food from local suppliers and farmers with a view to making school meals nutritious and diverse. The Rwanda country office and UNHCR have established a single-payment system for deliveries of food and non-food items to refugees; the Ethiopia country office will explore the implementation of milk vouchers to complement the productive safety net programme.
91. The recently approved RBN regional gender strategy (2016–2020) identifies ways of achieving substantial progress towards gender equality and women's empowerment: i) evidence-based programmes; ii) increased participation by the populations involved; and iii) gender-sensitive and nutrition-sensitive programmes.

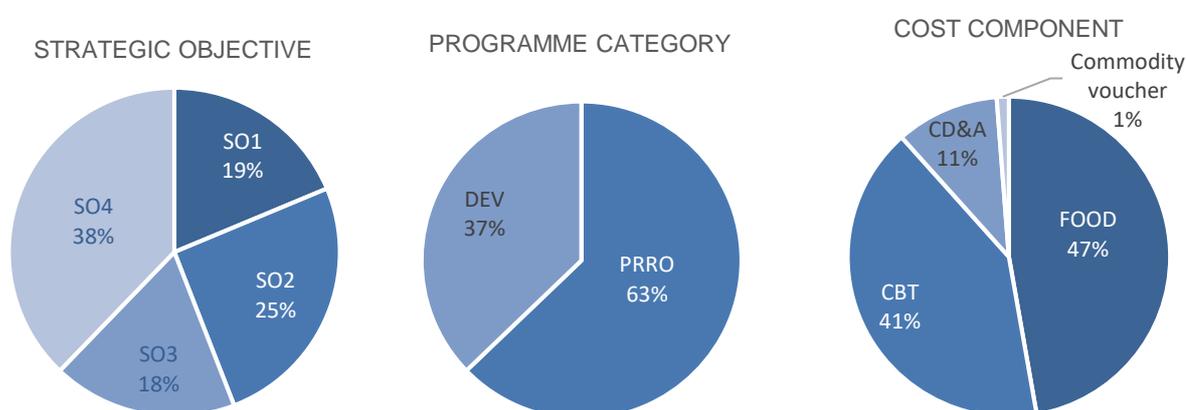
⁶ These figures are under revision; planned requirements for 2017 may be lower.

Panama Regional Bureau – RBP

Priorities: support for national social-protection programmes; resilience and disaster management; smallholder farmer agricultural production and market development.

Operational requirements	USD 130 million (2016: USD 133 million)
No. of daily rations	400 million (2016: 400 million)
Tonnage of food	47 000 mt (2016: 61 000 mt)
No. of operations	10 (2016: 10)
Countries with planned operations	Plurinational State of Bolivia, Colombia, Cuba, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua
Country-specific trust funds	USD 27.8 million

Figure A.III.10: RBP operational requirements 2017



* Includes DSC and ISC

92. The Latin America and Caribbean region has achieved MDG 1C through political commitment, economic and political stability and social investment. WFP is committed to achieving Zero Hunger – SDG 2 – and is partnering with governments to achieve sustainable development. The reduction in the proportion of poor people, however, is concurrent with increases in the absolute number and the prevalence of extreme poverty. Declining growth in the region could result in reduced investment in social protection, which could compromise the gains of the past decade. Income inequality is high, with women and people of indigenous and African descent particularly vulnerable. Hunger affects 34 million people, a major concern in a region that must also address the double burden of malnutrition and rising prevalence of obesity.
93. WFP is investing in social-protection programmes supporting children and pregnant and lactating women that address hunger and income poverty, and supporting development objectives such as universal primary education, gender equality and maternal and child health. In a region prone to disasters, WFP supports social-protection programmes that are responsive to shocks.
94. The prevalence of food insecurity reflects the incidence of natural disasters and poverty. RBP accordingly promotes community resilience through programmes for emergency preparedness and response, disaster risk reduction and climate change adaptation and builds related government capacities.
95. RBP's market-access programmes enhance linkages with P4P and national social protection schemes, and link demand for long-term social protection programmes with purchases from smallholder farmers.

96. RBP plans to reach 2.3 million beneficiaries in 2017: operational requirements are USD 130 million, as in 2016. Activities under trust funds will also be supported at an annual value of USD 28 million. Reductions in the Honduras school meals trust fund and the Colombia multi-donor trust fund in 2017 will reduce the RBP portfolio from USD 190 million to USD 158 million.
97. The planned 2017 regional portfolio of USD 130 million is currently 68 percent funded. Predictable, flexible funding is needed for efficient planning, but earmarking by donors, governments and partners is a constraint. Forecast resources inform the design of development programmes, as reflected by the expected funding level of 80 percent. Resources for PRROs, currently projected at 60 percent, are prioritized for saving lives and protecting livelihoods in emergencies, and early recovery and capacity development. In cases where funds are lacking, the response will be to reduce beneficiary numbers rather than rations or feeding days.
98. Trust funds are usually fully funded, but if host-government trust funds are insufficiently resourced RBP and its government partners will decide jointly as to prioritization.
99. There is no change in RBP's focus on particular Strategic Objectives. The shift of focus from Strategic Objective 1 to Strategic Objectives 2 and 3 in Colombia reflects WFP's shift from humanitarian relief to long-term recovery, resilience-building and capacity augmentation.
100. Transfer modalities will change in 2017: food transfers will give way to CBTs and funds for capacity development in middle-income countries in the region. In the Central America regional PRRO, 80 percent of direct food assistance will be delivered as CBTs.
101. Country and development programmes will be implemented in the Plurinational State of Bolivia, Cuba, Guatemala, Haiti, El Salvador, Honduras and Nicaragua with a total budget of USD 48 million. In Colombia and Ecuador, a PRRO will target populations affected by conflict; in Haiti, a PRRO will address emergency preparedness and response. The Central American regional PRRO supports populations affected by natural disasters. Projected PRRO requirements for 2017 are USD 81 million.
102. Trust fund activities in eight countries with a total budget of USD 28 million include the multi-year contribution from the Government of Honduras for the national school meals programme, a multi-donor trust fund for capacity development in Colombia and an increased number of trust funds in El Salvador. The 2017 budget for trust funds is 50 percent smaller than the 2016 figure.

ANNEX IV

Review of the Management Plan (2016–2018)¹

1. This section outlines changes to the Management Plan (2016–2018); it is based on data available at the end of September 2016.
2. The approved 2016 budget for operational requirements, including ISC and excluding trust funds, was USD 8.6 billion. Income for the year was estimated at USD 4.9 billion.

Programme of Work

3. Unforeseen requirements contribute significantly to the changes to the original programme of work. Table A.IV.1 shows the changes in the original plans for 2012–2016 arising from unforeseen requirements or revisions in planned requirements.

Year	Original Management Plan	Unforeseen requirements^{**}	Final programme of work	% change
2012	5 162	1 634	6 796	32
2013	5 317	1 356	6 672	26
2014	6 267	2 183	8 450	35
2015	7 967	715	8 682	9
2016 (September)	8 581	-84	8 497 ^{***}	-1
Average	6 659	1 160	7 819	17

^{*} Figures in the Management Plan are rounded.

^{**} Based on project budgets approved or submitted for approval by 15 September 2016.

^{***} Figures as of 15 September 2016.

4. As of September 2016 the programme of work² totalled USD 8.5 billion, a 1 percent decrease from the original projection of USD 8.6 billion. The programme of work increased for 45 countries by USD 1.42 billion, and decreased for 32 countries by USD 1.50 billion resulting in the net decrease of USD 84 million (see Table A.IV.2).
5. Table A.IV.2 shows that the greatest decrease is in EMOPs, primarily in Iraq and Yemen, for which requirements were almost double the figure in the programme of work. The increase for PRROs is primarily the result of large unforeseen increases in Ethiopia in response to drought caused by El Niño.

¹ Figures in this section include ISC and exclude trust funds.

² Approved project requirements for 2016, as of 15 September 2016.

TABLE A.IV.2: 2016 UNFORESEEN REQUIREMENTS BY PROGRAMME CATEGORY (USD million)				
Programme category	Original Management Plan	Unforeseen requirements³	Current programme of work³	% change
DEV/country programme (CP)	690	-31	659	-4
EMOP	3 716	-437	3 279	-12
PRRO	3 775	306	4 081	8
Special operation (SO)	400	79	479	20
TOTAL	8 581	-84	8 497	-1

6. Table A.IV.3 shows unforeseen requirements by cost component. The increase in food transfers and CD&A is related primarily to the Syria EMOP. The decrease in CBTs is mainly visible in the Yemen operation and is a result of the unstable security situation.

TABLE A.IV.3: 2016 UNFORESEEN REQUIREMENTS BY COST COMPONENT (USD million)				
Cost component	Original Management Plan	Unforeseen requirements³	Current programme of work³	% change
Food	4 564	513	5 077	11
CBT *	2 591	-807	1 784	-31
CD&A	498	94	592	19
Direct support costs (DSC)	928	116	1 044	13
TOTAL	8 581	-84	8 497	-1

* includes cash, value voucher and commodity voucher

³ Based on project budgets approved or submitted for approval by 15 September 2016.

7. Table A.IV.4 shows the largest unforeseen requirements in 2016.

TABLE A.IV.4: 2016 LARGEST UNFORESEEN REQUIREMENTS (USD million)				
Recipient	Original Management Plan	Unforeseen requirements³	Current programme of work³	% change
Syria crisis	1 050	350	1 400	33
Ethiopia	514	323	837	63
Southern Africa regional	246	252	498	102
Nigeria	-	98	98	
Others	1 371	393	1 764	29
Reduction in planning	5 400	-1 500	3 900	-28
TOTAL	8 581	-84	8 497	-1

8. Conflict in the Syria region is displacing millions of people into Egypt, Iraq, Jordan, Lebanon and Turkey. In response to increasing humanitarian needs, WFP will continue to provide life-saving food assistance for vulnerable displaced Syrians, and will promote resilience, sustainable food solutions and food assistance for assets (FFA) while scaling up general distributions of food with a small percentage of paper CBTs for school feeding and nutrition programmes.
9. The drought in Ethiopia, the worst in 50 years, significantly increased humanitarian needs: in February 2015 the Government estimated that 2.9 million people required emergency food assistance; by December 2015 the number was 10.2 million. PRRO 200290 and its successor PRRO 200712 respond to the increased food and nutrition needs resulting from the failure of the spring and summer rains.
10. WFP declared a Level 3 emergency in June 2016 to assist 11.9 million people affected by El Niño in Lesotho, Madagascar, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe. In July the Southern Africa Development Community (SADC) declared a regional disaster and appealed for USD 2.4 billion to respond to humanitarian needs in Angola, Democratic Republic of the Congo (DRC), Lesotho, Madagascar, Malawi, Mozambique, Namibia, Swaziland, Zambia and Zimbabwe for 12 months.
11. In response to the influx of displaced Nigerians into Cameroon, Chad and the Niger, WFP launched regional EMOP 200777 in January 2015, which provided food assistance for 238,000 beneficiaries for 12 months. In north-eastern Nigeria, WFP activated a Level 3 operation in August 2016 to address food and nutrition needs resulting from violent attacks by Boko-Haram and scaled up its assistance in the region to reach 700,000 vulnerable people.
12. The current programme of work contains a number of reductions in requirements totalling USD 1.5 billion from the original Management Plan (2016–2018), largely as a result of the USD 689 million reduction in the Yemen EMOP. The Iraq operation was reduced by USD 275 million, South Sudan by USD 129 million and the Niger by 125 million in the programme of work as a result of WFP's declining ability to reach populations in need.

Projected Income

PSA Budget

13. The Management Plan (2016–2018) was based on forecast income of USD 4.9 billion in 2016, generating USD 316.1 million of ISC income. The latest projections for 2016, based on donors' commitments, are for USD 5.6 billion, generating USD 361.5 million of ISC income.

Trust Funds and Special Accounts

14. Table A.IV.5 compares the revised funding forecast for the 2016 trust funds and special accounts budget with the requirements submitted in the Management Plan (2016–2018). In 2016 corporate trust funds supported enhancements to WFP’s organizational capacity and effectiveness through activities such as P4P, emergency preparedness and response, food quality, safety and nutrition, learning and skills development and capacity development.
15. The corporate trust fund requirements of USD 147 million include those for which funding has been identified and those with no identified donor. The updated 2016 funding forecast of USD 54 million excludes corporate trust fund requirements that are likely to remain unfunded. Taking into account Strategic Resource Allocation Committee (SRAC) allocations made during 2016, the updated 2016 funding forecast would cover 37 percent of requirements.
16. Country-specific trust funds requirements total USD 97 million against a funding forecast of USD 47 million. Funds are received at country level, largely from host governments, and enable country offices to work with governments on programmes aligned with the Strategic Objectives. In 2016 most country-specific trust funds were for the Latin America and Caribbean region and the Asia and Pacific region, which together accounted for 37 percent of the funding received. Such funding supported school feeding in Honduras, technical assistance in Colombia, the establishment of a soya milk factory in Afghanistan, the scaling up of rice fortification and enhancement of social protection systems in Bangladesh, and capacity development for district governments in Nepal. Elsewhere, trust funds supported school feeding in Lesotho and interventions addressing stunting in DRC.
17. Special accounts also support WFP aviation, the UNHRD, information and communication technology (ICT), the CBT service platform, the Logistics Execution Support System (LESS), the Global Vehicle Leasing Programme (GVLP), logistics and security.

	Management Plan requirements (2016–2018)	2016 funding forecast	Shortfall (%)
Corporate trust funds	147	54	63
Country-specific trust funds	97	47	52
Special accounts	241	225	7
TOTAL	485	326	33

ANNEX V

Office of Evaluation Work Plan 2017–2019

Introduction

1. This annex sets out the Office of Evaluation's (OEV) proposed programme of work for 2017–2019. It is the first that has been fully planned in the framework of WFP's new evaluation function, framed by: the WFP Evaluation Policy (2016–2021),¹ Evaluation Charter² and Corporate Evaluation Strategy.³ Together, these documents establish a new vision, strategic direction, normative and accountability framework, institutional arrangements and implementation plan for embedding evaluation in a phased approach across the organization through expansion of the centralized evaluation function and augmenting it with a demand-led decentralized evaluation.
2. This new evaluation function reflects WFP leadership's determination and ambition – expressed in international commitments and organizational strategy and reform processes – to meet global expectations for independent evaluation to support accountability for results, organizational learning and evidence based decision-making across the organization in the 2030 Agenda era.
3. This means that planning and resourcing for the evaluation function is also embedded across the organization. OEV's Work Plan is one part of a larger whole. But given OEV's responsibility for overseeing and reporting on progress on the entire evaluation function, this year's OEV Work Plan begins with the estimated corporate resources required for the evaluation function, set by the Evaluation Policy. OEV's Work Plan as a part of this follows.

Evaluation Function Overall Requirements

4. The three-year frame of this work plan (2017–2019) advances the phased approach to resourcing and implementation, agreed by WFP management and the Executive Board⁴ and laid out in the Corporate Evaluation Strategy. Over time, some activities required to establish the augmented evaluation function will phase out, leaving room for others to start. In particular, human and financial resources needed in OEV to establish the decentralized evaluation function are expected to decrease from 2018, as the new Regional Evaluation Officers take up their role fully, thus enabling OEV to lead thereafter a more rapid increase in centralized evaluations as envisaged by the Policy's coverage norms, and aligned with evaluation requirements implied by corporate developments such as the Country Strategic Planning approach.
5. The 2017 deliverables and perspectives for 2018–2019 described below are based on the strategic priorities set by the Evaluation Policy, aligned with the direction of WFP's [draft] Strategic Plan 2017–2021 and the other elements of the Road Map to Zero Hunger.⁵ The choices also embed the evolution in OEV's focus outward from the well-established centralized evaluation function to leading, guiding and overseeing the demand-led decentralized evaluation function.

¹ WFP/EB.2/2015/4-A/Rev.1.

² Issued by the Executive Director, May 2016.

³ Endorsed by the Executive Management Group, April 2016.

⁴ Response to the Recommendations of the Summary Report of the Peer Review of the Evaluation Function at the World Food Programme, WFP/EB.2/2014/6-D/Rev.1.

⁵ To be presented for approval at EB.2/2016.

TABLE A.V.1: ESTIMATED RESOURCING REQUIREMENTS FOR THE OVERALL EVALUATION FUNCTION (as at July 2016)					
Main elements	Funding source	USD million			
		2016	2017	2018	2019
<i>Outside OEV</i>					
Regional Evaluation Officers	PSA	-	1.66 ⁱ	1.55	1.55
Contingency Evaluation Fund (CEF) ⁱⁱ	PSA	-	1.50	1.50	1.50
Decentralized Evaluations (approximate) ⁱⁱⁱ	Project funds	-	4.50	5.40	5.40
<i>Outside OEV Sub-Total</i>		-	7.66	8.45	8.45
OEV work plan	PSA	9.0 ^{iv}	8.60	9.85	11.00
	Multilateral (CEF)	-	0.50	0.50	0.50
<i>OEV – Subtotal</i>		9.0 ^{iv}	9.10	10.35	11.50
GRAND TOTAL		9.0	16.76	18.80	19.95
as % of WFP contributions income		0.16	0.32	0.36	0.39

ⁱ Includes operating costs allocated for 2017, which should be carried forward also to 2018 and 2019.

ⁱⁱ The Contingency Evaluation Fund is intended to fund: 1) contingency support to country offices, which have planned and budgeted for an evaluation, but are facing genuine resource constraints (USD 1.5 million replenishable); and 2) part of OEV's managed services to support decentralized evaluations (e.g. capacity development and quality support) (USD 500,000 annual)

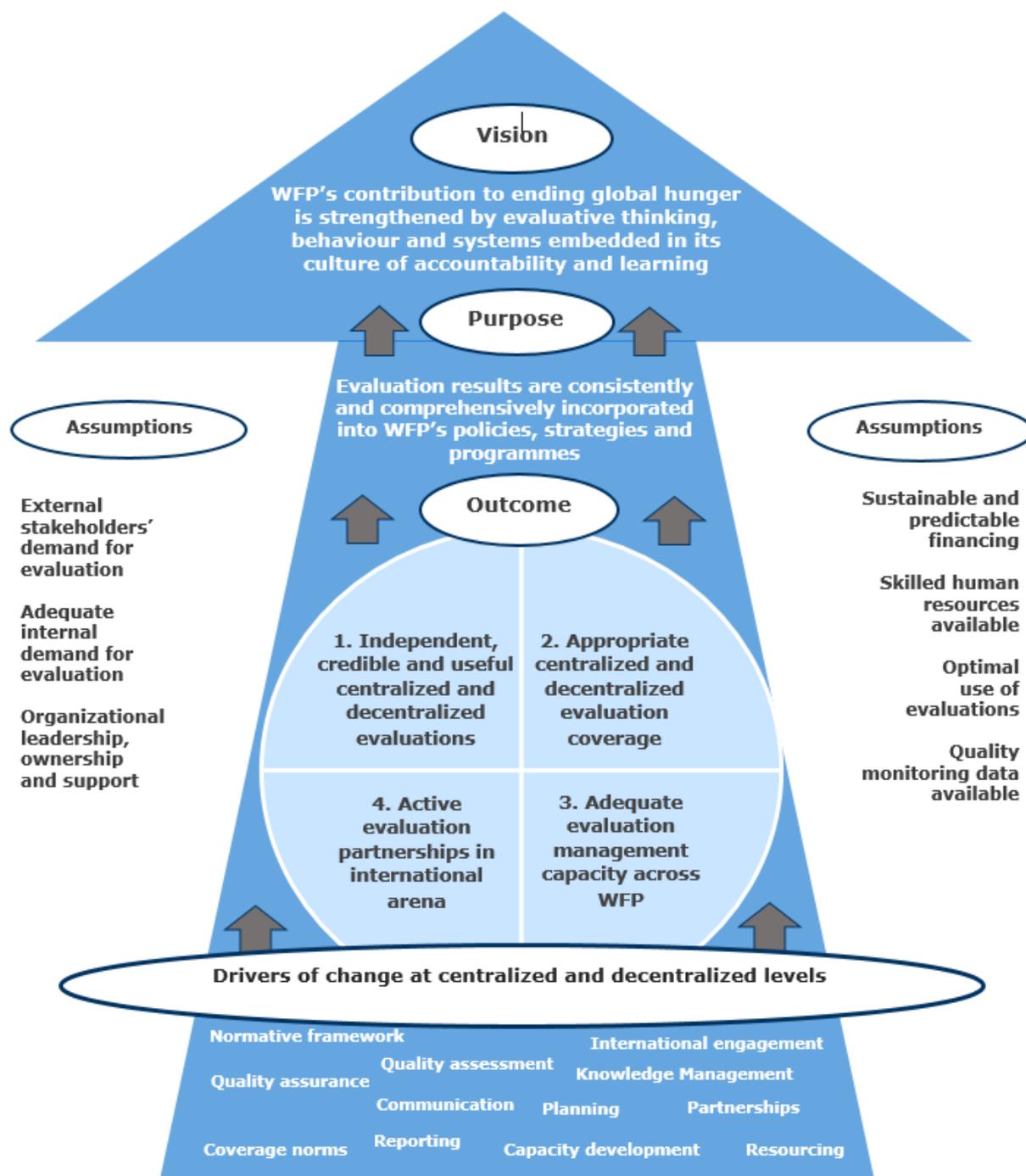
ⁱⁱⁱ Based on provisional information from regional bureaux and associated projections.

^{iv} For 2016 only, includes some project funds for the Operation Evaluations series (not available in 2017).

OEV'S Work Plan 2017–2019: Summary

6. For the first time, OEV's detailed activity plans are defined in line with the purpose and four intended outcomes of the Evaluation Policy, illustrated in Figure 1 below.
7. The OEV outlook for 2018–2019 is provisional and may need adjustment in future OEV Work Plans to take account of the final WFP Strategic Plan and related elements, the new United Nations Quadrennial Comprehensive Policy Review and the availability of resources for evaluation.

Figure A.V.1: Theory of Change, WFP Evaluation Policy (2016–2021)



8. In summary, in 2017, OEV will:
- A. Generate independent evidence for accountability and learning through a balanced programme of complex **centralized evaluations**, selected in line with the Policy's phased approach to application of coverage norms; priority evidence and learning needs and absorptive capacity; and resource availability. The temporary central evaluation series of single operation evaluations⁶ will be finalized and closed.
 - B. Roll out the new **decentralized evaluation** guidance and quality support system, adjusted in line with a review of the pilot decentralized evaluations that tested these tools in 2016. In collaboration with Regional Directors and Human Resources Division, bring on-board and coach Regional Evaluation Advisers, and roll out a multi-year evaluation capacity development programme across WFP.
 - C. Apply and embed the institutional arrangements and systems for the **overall evaluation function** set by the Evaluation Charter and continue follow-through of the phased approach to implementation of the Evaluation Policy.
 - D. Promote and facilitate the embedding of use of evaluation evidence in WFP's **learning and accountability culture** by supporting greater access and **use of evaluation** in policy and programme design and approval.
 - E. Engage centrally in strategically relevant **evaluation partnerships and networks** in the international arena at global level and especially on evaluation of humanitarian action; and advise on regional and national evaluation partnerships and networks.
 - F. Complete and apply the **information and reporting systems** to enable oversight of the entire evaluation function, centralized and decentralized.⁷

Resources for OEV's Work Plan 2017

9. The total resources required by OEV for 2017 to ensure balanced progress on each of the four inter-dependent outcomes of WFP's Evaluation Policy, phased in line with the Corporate Evaluation Strategy, was costed at **USD 9.1 million** (See Table A.V.1 above). The total resources so far available to OEV from all sources for the 2017 work plan are USD 7.4 million (see Table A.V.2).

Main elements	Funding source	2017 USD million	Comparison 2016 USD million
OEV core work plan	PSA Base	6.1	6.1
OEV core work plan	PSA Investment Case (IC)	0.8	-
Contingency Evaluation Fund	Multilateral	0.5	-
<i>Single Operations Evaluations</i>	<i>Project Sources</i>	<i>n/a</i>	<i>2.84</i>
TOTAL		7.4	8.94

10. **PSA:** Within OEV's **PSA** budget of USD 6.9 million, the total established staff budget is USD 3.05 million (compared to USD 2.40 million in 2016 and USD 2.50 million in 2015). The non-staff budget is therefore USD 3.83 million. This compares to USD 3.81 million in 2016 and USD 3.61 million in 2015.

⁶ Last evaluations commissioned in 2016 and paid from 2016 budget.

⁷ Subject to no significant delays in implementation of the FFR.

11. The reduction in OEV's **total** resource availability (PSA and other sources) compared to 2016 is due to the ending of the temporary series of single Operations Evaluations. Funded mainly from project sources, this series accounted for USD 2.84 million (2016) of OEV's budget. From the start of 2017, evaluation of operations will be covered through the decentralized evaluation function (with the exception of L3 emergency responses, see below). OEV's role in this regard shifts from "implementer" to "enabler" and safeguarding the normative framework.
12. In view of the gap between the "needs-based budget" of USD 9.1 million and the available resources of USD 7.4 million, this work plan prioritizes the activities that are strategic foundation stones for sustainably achieving the Evaluation Policy goals in future. Fundamental recurring costs for OEV to deliver the minimum required activities in its new role under the augmented evaluation function are built into this work plan. This includes securing the minimum staff capacity – with the requisite technical evaluation skills and institutional awareness of WFP and its context – essential to deliver this ambitious programme.
13. Additional one-off PSA costs (such as the cost of hiring consultant evaluators to conduct individual complex centralized evaluations), totalling USD 1.7 million, will be requested in a supplementary request under WFP's Critical Corporate Initiative call (indicated in Table A.V.3 below). If this funding is not available in 2017, progress towards meeting the evaluation coverage norms for centralized evaluation will be slower than planned and will require a boost in investment in years 3 to 5 of the life of the Evaluation Policy. The main factors driving this requirement remain:
 - the backlog of evaluations due under the agreed cycle of evaluation of WFP policies;
 - the need to gradually increase coverage of country portfolio evaluations to meet WFP's coverage norms.
14. The work plan outlook for 2018 and 2019 assumes this larger step forward will be taken towards the Evaluation Policy target of 0.8 percent of WFP contributions income being dedicated to evaluation – both centralized and decentralized⁸ – by the end of the life of the Evaluation Policy (2021) from all sources (including softly earmarked contributions and contributions received directly as trust funds), and in line with the Corporate Evaluation Strategy's agreed resourcing arrangements.⁹
15. For its part, OEV seeks maximum efficiency gains in evaluation management and value-added from partnership arrangements, while maintaining quality. Efficiencies and economies have been achieved by:
 - i) conducting evaluations jointly or in partnership wherever possible, so that costs are shared (examples below). This strategy offers a double-win, as joint evaluations are increasingly important to measuring progress towards the SDG goals from combined efforts under the 2030 Agenda as well as a now-established practice for inter-agency evaluations of system-wide Level 3 responses;
 - ii) outsourcing activities, where this creates cost savings, while maintaining quality standards (e.g. quality support mechanism for decentralized evaluations);
 - iii) use of long-term agreements with a wide range of evaluation service providers;¹⁰
 - iv) creating synergies between evaluations by conducting them in series and producing syntheses to enhance their contribution to knowledge.

⁸ Recognizing that decentralized evaluations will be funded under budgets of other units, not OEV.

⁹ Under the Policy on Country Strategic Plans and the Financial Framework Review, in the medium term, all country portfolio evaluations should be resourced from country budgets ("implementation funds"), though managed by OEV.

¹⁰ LTAs provide multiple advantages, including administrative efficiency gains.

16. Table A.V.3 provides an overview of OEV's Plan for centralized evaluations in 2017 and provisional outlook for 2018 and 2019. Twenty core centralized evaluations will be under way in 2017, including ten continued from 2016¹¹ and ten new starts.¹² In addition five Operation Evaluations started in 2016 will complete and round off that series. The rationale and details of these deliverables are in Section A below.

2017 OEV Deliverables and 2018–2019 Outlook

A. Centralized Evaluations (Policy Outcome 2)

17. OEV's centrally-managed evaluations inform all stakeholders of the relevance, effectiveness, impact and sustainability of WFP's policies, strategies, operations and activities, and the efficiency of their implementation. There are two strands, namely: i) evaluations of policies, global strategies and programmes, humanitarian emergency (Level 3) responses, country portfolios, and the impact of WFP activities; and ii) the temporary single operations evaluations series using an outsourced management model.
18. The programme of evaluations for 2017–2019 has been selected and prioritized to maximize relevance to WFP's dynamic policy and programming context and thus optimize OEV's role in supporting WFP's accountability and learning to strengthen WFP's contribution to ending global hunger. It is designed to generate timely and pertinent evidence for decision-making, as outlined below.
19. The norm for **evaluation of WFP's policies** is set by the WFP Policy Formulation document agreed by the Board in 2011.¹³ Application of this approach for all policies approved **after 2011** requires evaluation four to six years after start of implementation to contribute evaluation evidence and learning into WFP's policy cycle. Consistent with this and resource availability, in 2017 evaluations of the **WFP Corporate Partnership Strategy (2014–2017)**¹⁴ will be completed and the evaluation of WFP's **Capacity Development Policy (2009)**, completed in late 2016, will be presented to EB.1/2017.
20. Table A.V.3's outlook for policy evaluations in 2018 indicates evaluations of the Update of WFP's Safety Nets Policy (2012), Revised School Feeding Policy (2013), WFP's Role in Peacebuilding in Transition Settings (2013); and, in 2019, the HIV/AIDS Policy.¹⁵
21. For policies approved **more than six years ago**, evaluation either of the Policy itself, or of the theme addressed by the policy is considered, based on the criterion of continuing relevance to WFP's work, or potential to contribute to new policy development. In 2017, OEV will continue a due evaluation of the **WFP Humanitarian Protection Policy (2012)**, coupled with an evaluation of **WFP's Policies on Principled Action and Access in Humanitarian Contexts**, which covers three such older policies: Humanitarian Principles (2004), Note on Humanitarian Access and its Implications for WFP (2006); and WFP's Role in the Humanitarian Assistance System (2010). These two are being designed in synergy in 2016, taking into account WFP's latest position on the issues.

¹¹ Including the series of four Impact Evaluations of Moderate Acute Malnutrition (MAM) under a two-year evaluation partnership, concluding in 2017.

¹² In 2016, four completions were planned, seven new starts and continuation of the four MAM impact evaluations. Five new starts of Operations Evaluations were also planned.

¹³ WFP/EB.A/2011/5-B.

¹⁴ This document is part of WFP's Policy Compendium.

¹⁵ This was postponed from earlier plans for 2017, following the 2016 Policy Update.

22. **Strategic evaluations** are forward-looking and focus on strategies, systemic or emerging corporate issues and/or programmes and initiatives with global or regional coverage. OEV's previous plans have been updated. The selected topics, take account of the advice of the Evaluability Assessment¹⁶ of WFP's Strategic Plan (completed early in 2016), issues emerging from the subsequent discussions on WFP's Strategic Plan 2017–2021 and WFP's six focus areas for continued organizational strengthening.¹⁷
23. Under an overall theme of "*Supporting the 2030 Agenda: innovations in the humanitarian and development assistance nexus*", a multi-year series of evaluations will begin in 2017. The series will assess key aspects of the organizational changes undertaken in association with WFP's Strategic Plan (2014–2017) to increase WFP's efficiency and effectiveness and respond to the rapid changes in WFP's internal and external context. The first in the series will be a Strategic Evaluation on **Managing Organizational Change**. This will be a follow-up to the 2011 evaluation of 'How country offices adapt to change' and will assess the impact of the recent phase of change on organizational effectiveness. Also beginning in 2017, an evaluation of **WFP's Innovations in Constrained Environments** will explore WFP's experience to date with innovative approaches in difficult to access areas, such as the Syrian Arab Republic, Somalia, and countries affected by the Ebola virus. Harnessing the potential of new technology, the evaluation will assess the results and performance of technological and institutional innovations such as remote and mobile vulnerability assessment, third-party monitoring, feedback mechanisms, new partnerships and platforms for CBTs.
24. Responding to the compelling confluence of global discourse, need and opportunities for knowledge/evidence generation, OEV has re-activated earlier plans for a strategic evaluation of **Resilience** in 2017, rather than wait until a Policy Evaluation of the 2015 Policy on Building Resilience for Food Security and Nutrition becomes due in 2019. The key influencing factors are:
- recent global dialogue and shifting emphasis towards ending rather than only meeting needs, with implications for preparedness, prevention and resilience-building;
 - current debates and concern on the volume of protracted crises, where humanitarian and development needs inter-act; and
 - the volume of WFP initiatives, with potentially rich sources of learning, inter alia: the Africa Risk initiative (Ethiopia); 'seeds for change' in West Africa; the roll out of regional resilience strategies (in the Sahel and in Latin America); and Purchase from Africans for Africa (PAA).
25. In 2018 and 2019, further strategic evaluations in the series are foreseen – of the Country Strategic Plan pilots, WFP's use of Trust Funds and WFP performance management in the SDG era.
26. The Evaluation Policy entails an evolution in types of evaluation at country level. Complementing decentralized evaluation coverage of individual operations or parts thereof, centralized **Country Portfolio Evaluations** will continue as an accountability instrument and a learning tool, providing evidence of strategic positioning performance and results of all WFP operations and activities over a 3–5 year period. A "pipeline" of systematically selected eligible countries¹⁸ has been developed and prioritized. The final criterion determining evaluation planning is "timeliness" to

¹⁶ Evaluability assessments assess the extent to which reliable and credible evaluation is possible, considering: clarity and rationality of design (objectives, targets and indicators); demand from stakeholders; adequacy of indicators and relevant data, and provides advice on how limitations can be overcome/reduced.

¹⁷ Described in 'Strategic Utilization of WFP's PSA Equalization Account', WFP/EB.A/2015/6-D/1, and WFP's Management Plan 2016–2018, Critical Corporate Initiatives.

¹⁸ Based on criteria such as portfolio size; programming profile; regional balance; and presence of recent or ongoing evaluation coverage, especially by Operation Evaluations or Inter-Agency Humanitarian Evaluation (IAHE).

contribute evidence into preparation of a Country Strategic Plan and United Nations Development Assistance Framework or United Nations Sustainable Development Framework (UNSDF). With dialogue on introduction of Country Strategic Plans still ongoing, OEV's country programme evaluation (CPE) planning is flexible, and countries named in Table A.V.3 are indicative.

27. Under the Evaluation Policy 2016–2021, WFP aims to increase coverage progressively to 8 or 9 CPEs annually. With resource constraints in 2017, priority is given to starting two CPEs (countries to be confirmed) and to completing a CPE in the Republic of South Sudan, begun in 2016. The CPE of Sri Lanka, completed in late 2016, will be presented to EB.1/2017. For the first time, a joint CPE with Offices of Evaluation of the Rome-based Agencies will also begin, aiming to assess collective contributions to national food security needs and goals.
28. Evaluations of **Humanitarian Emergency Level 3 Response** will continue with the two-pronged approach: all Level 3 responses will be evaluated either by an IAHE, embedded in the Inter-Agency Standing Committee (IASC) Humanitarian Programme Cycle requirements, or by OEV in a separate evaluation of WFP's response. Since Level 3 emergencies are by definition unpredictable, plans have been made to accommodate one of each type of evaluation in 2017. Decisions on which are made on a case by case basis. Emergency responses below Level 3 will also be considered, where resources permit and where complementary with planned decentralized evaluations (Des).
29. The multi-country series of **impact evaluations** of moderate acute malnutrition, initiated in 2015, will be completed in 2017, culminating with a synthesis report. Building on its previous experience with three series of impact evaluations,¹⁹ OEV is working in a strategic global partnership with the International Initiative for Impact Evaluation (3ie) for this series.²⁰ This enables increased coverage by partnering with additional specialized expertise for management of credible, quality impact evaluations, meeting the particular methodological challenges of humanitarian contexts and of this topic in particular. It also offers enhanced learning opportunities.
30. Finally, as mentioned above, the last in the temporary **series of single operations evaluations**, managed by OEV since 2013, will be completed and the series wound up with a final synthesis report. In 2017, five operations evaluations, begun and financed in 2016, will be completed. From 2017, the majority of operational evaluations are expected to be covered by the decentralized evaluation function. OEV will support regional bureaux in the application of the coverage norms laid out in the Evaluation Policy to inform decentralized evaluation planning, taking into account country-level coverage by CPEs and evaluations of Level 3 emergency responses.

¹⁹ On school feeding, food assistance in protracted refugee situations and food for assets.

²⁰ Part of a wider multi-institutional humanitarian impact evaluation series.

TABLE A.V.3: CENTRALIZED EVALUATION PLAN 2017 AND OUTLOOK 2018 AND 2019

Type	2017	2018	2019
Policy	<p><i>Continued from 2016:</i></p> <ul style="list-style-type: none"> Capacity Development (1/17) Corporate Partnerships Strategy (A/17) WFP's Policies on Principled Action and Access in humanitarian contexts (2/17) Protection (2/17) <p><i>New starts:</i></p> <p>None</p>	<p><i>Continued from 2017:</i></p> <ul style="list-style-type: none"> None <p><i>New starts:</i></p> <ul style="list-style-type: none"> Safety Nets Update Revised School Feeding Peacebuilding in Transition Settings 	<p><i>Continued from 2018:</i></p> <ul style="list-style-type: none"> Safety Nets Update Revised School Feeding Peacebuilding in Transition Settings <p><i>New starts:</i></p> <ul style="list-style-type: none"> HIV/AIDS 3 others (tbd)
Strategic	<p><i>Continued from 2016:</i></p> <p>None</p> <p><i>New starts:</i></p> <ul style="list-style-type: none"> Managing Organizational Change Innovations in Constrained Environments Resilience 	<p><i>Continued from 2017:</i></p> <ul style="list-style-type: none"> Managing Organizational Change Resilience Innovations in Constrained Environments <p><i>New starts: *</i></p> <ul style="list-style-type: none"> Country Strategic Plan Pilots WFP's Use of Trust Funds 	<p><i>Continued from 2018:</i></p> <ul style="list-style-type: none"> Country Strategic Plan Pilots WFP's Use of Trust Funds <p><i>New Starts:</i></p> <ul style="list-style-type: none"> WFP Performance Management in the SDG era
Country portfolio	<p><i>Continued from 2016:</i></p> <ul style="list-style-type: none"> Sri Lanka (1/17) South Sudan (2/17) <p><i>New starts:</i></p> <ul style="list-style-type: none"> Joint Rome-based Agencies (RBAs) (country tbd) Country 2 (tbc) Country 3 (tbc) Country 4 (CCI) Country 5 (CCI) 	<p><i>Continued from 2017:</i></p> <p>tbd</p> <p><i>New starts:</i></p> <ul style="list-style-type: none"> Country 1 Country 2 Country 3 Country 4 Country 5 Country 6 Country 7 	<p><i>Continued from 2018:</i></p> <p>tbd</p> <p><i>New starts:</i></p> <ul style="list-style-type: none"> Country 1 Country 2 Country 3 Country 4 Country 5 Country 6 Country 7 Country 8 Country 9
Humanitarian Emergency L3 Response	<p><i>Continued from 2016:</i></p> <ul style="list-style-type: none"> WFP's Ebola Crisis Response (1/17) IAHE Iraq <p><i>New starts:</i></p> <ul style="list-style-type: none"> WFP Response (country tbd) IAHE x 1 (country tbd) 	<p><i>Continued from 2017:</i></p> <p>Tbd</p> <p><i>New starts:</i></p> <p>Tbd by context: assume 2 (IAHE x 1; WFP L3 x 1)</p>	<p><i>Continued from 2018:</i></p> <p>Tbd</p> <p><i>New starts:</i></p> <p>Tbd by context: assume 2 (IAHE x 1; WFP L3 x 1)</p>
Impact evaluations	<p><i>Continued from 2016:</i></p> <p>MAM: Chad, Mali, Niger, Sudan (2/17)</p>	<p><i>New starts:</i></p> <p>New Impact Evaluation (IE) series started</p>	<p><i>New starts:</i></p> <p>New IE series continues (tbd)</p>
Single Operations (excluding L3)	<p><i>Continued from 2016:</i></p> <p>Completion of series (5)</p>		

TABLE A.V.3: CENTRALIZED EVALUATION PLAN 2017 AND OUTLOOK 2018 AND 2019

Type	2017	2018	2019
Evaluation syntheses	<ul style="list-style-type: none"> • Annual Evaluation Report – expanded 2016 (A/17) • Single-operation evaluations 2016/17 (2/17) • IE MAM series (2/17) 	<ul style="list-style-type: none"> • Annual Evaluation Report 2017 (A/18) • To be decided 	<ul style="list-style-type: none"> • Annual Evaluation Report 2018 (A/19) • Series relevant to WFP Strategic Plan

* If CCI funding is available, as mentioned in para.13, one of these Strategic Evaluations would be brought forward to begin in 2017.

B. Decentralized Evaluation Function (Outcomes 1–4)

31. In line with the new Evaluation Policy and Corporate Evaluation Strategy, priorities for 2017 will be to:
- i) review and roll out the final guidance and decentralized evaluation quality assurance system for decentralized evaluation, based on the 2016 pilots;
 - ii) expand in parallel OEV's internal decentralized evaluation help-desk and external quality support system for advice on planning, selection, design and review of draft Terms of Reference (TORs), inception and evaluation reports;
 - iii) provide technical induction for six new Regional Evaluation Officers, along with continuous support, coaching and connection with OEV as their professional 'home base' and technical reporting line;
 - iv) test, adjust and manage a comprehensive learning journey on decentralised evaluation, and embed evaluation modules in other corporate learning initiatives;
 - v) establish and maintain an evaluation hot-line, as one of the safeguards of independence and impartiality of decentralized evaluations;
 - vi) in collaboration with the Budget and Programming Division (RMB), provide Secretariat support to the newly established Contingency Evaluation Fund (described above);
 - vii) advise the Performance Management and Monitoring Division (RMP) and regional bureaux on establishment of the system for tracking and following up management responses to decentralized evaluations;
 - viii) develop guidance for and support colleagues when engaging in regional and national evaluation networks and associated initiatives; and
 - ix) conduct a "proof of concept" review of the Decentralized Evaluation system.

C. Overall Evaluation Function (Outcomes 1–4)

32. The Evaluation Charter details the institutional arrangements and systems required to embed evaluative thinking and behaviour across WFP. Although triggered by needs arising from the building of a credible, quality decentralized evaluation function, the institutional arrangements and several of the systems apply to centralized evaluation too. They offer enhancement of WFP's entire evaluation function in pursuit of the Evaluation Policy goals.
33. In 2017, OEV will:
- i) continue to pro-actively communicate with staff about the Evaluation Policy and Corporate Evaluation Strategy, including through consolidation of the recently formed WFP Evaluation Community of Practice;
 - ii) act as Secretariat to the newly established Evaluation Function Steering Group;
 - iii) begin application of a new Post-Hoc Quality Assessment System, conducted by external specialists. It will be applied to all evaluations, centralized and decentralized;

- iv) support identification of sustainable financing mechanisms for decentralized and centralized evaluations, in line with the directions set by WFP's Strategic Plan and Road Map to Zero Hunger, notably the Financial Framework Review and (forthcoming) Country Strategic Plan Policy;
- v) in collaboration with Human Resources (HR's) e-recruitment initiative, maintain the database of evaluator expertise established in 2016, and augment the supply of evaluation expertise for Decentralized Evaluation (DE) and Centralized Evaluation (CE), through new long-term agreements with an expanded and diversified group of evaluation service providers;
- vi) update the centralized Evaluation Quality Assurance System (EQAS) in line with the Evaluation Policy and recent best practice; and
- vii) develop a system to support complementarity of planning: a) of centralized and demand-led decentralized evaluations; and b) of evaluation with other WFP oversight and learning instruments.

D. *Promoting Use of Evaluation Evidence and Communications*
(Policy Purpose and Cross-Cutting)

34. WFP's Evaluation Policy reaffirms the importance of ensuring that evaluations are useful to decision-makers and stakeholders by stimulating learning from and use of evaluation to improve policies, strategies, programmes and operational decision-making. Considering the resource limitations and the need for phased development of the function towards the Policy's outcomes, in 2017, priorities will be:
- i) continue to support the systematic use of evaluation evidence for programme, policy, planning and implementation through consideration of evaluation evidence and recommendations in WFP's Strategic Programme Review Process;
 - ii) continue to conduct learning workshops during the evaluation process, as appropriate and where resources permit;
 - iii) finalize and fully populate WFP's upgraded Evaluation Intranet and Internet pages for more effective sharing of evaluation information and evidence, and to increase accessibility of evidence from all WFP evaluations (centralized and decentralized) to internal and external users;
 - iv) advise on updates/renewal of WFP's programme planning and monitoring templates to ensure appropriate embedding of evaluation;
 - v) broaden the range of communications tools to stimulate interest in and communication of evidence, testing them on centralized evaluations; and
 - vi) continue to plan and conduct centralized evaluations for maximum relevance to WFP's decision-making and evidence needs.

E. *Engagement in the International Evaluation System (Outcome 4)*

35. OEV will continue its engagement in the international evaluation system, focusing on where it can add greatest value and of most relevance to WFP's work. Following the exceptional opportunities offered by the 2015 SDGs and the International Year of Evaluation, in 2017 OEV will focus on following through on commitments made:
- i) Continue to participate in the Inter-Agency Humanitarian Evaluation arrangement under the IASC Humanitarian Programme Cycle and ensure appropriate coverage.
 - ii) Actively participate in the United Nations Evaluation Group's (UNEG) work to ensure that evaluation informs United Nations system-wide initiatives and emerging demands, including through the Independent System-Wide Evaluation mechanism, and the United Nations System-Wide Action Plan on Gender Equality. OEV will co-convene with UNHCR UNEG's work on enhancing evaluation of Humanitarian Principles and other efforts to strengthen humanitarian evaluation in the United Nations system.

- iii) Continue to enhance collaboration among Evaluation Offices of the Rome-based Agencies, building on the 2015 joint seminar on preparing to evaluate Sustainable Development Goal 2; conduct a joint Country Portfolio Evaluation and jointly advise on the decentralized evaluation of the Committee on World Food Security; and, joint learning and capacity development initiatives.
- iv) Contribute to UNEG's work on strengthening decentralized evaluation, professionalization, knowledge management and use of evaluation, partnerships and national evaluation capacities.
- v) Continue to contribute to and collaborate with other international professional networks.²¹
- vi) Continue to represent WFP in the Steering Committee for the International Initiative for Impact Evaluation (3ie) thematic window on humanitarian evaluation and participate in an inter-agency learning event in early 2017.

F. Evaluation Function Reporting (Cross-cutting all Outcomes)

- 36. Taking into account relevant developments in the Corporate Results Framework and Financial Framework Review, OEV will complete establishment of the associated information and reporting systems for WFP's central and decentralized evaluation function in line with the Evaluation Policy.
- 37. Building on the core Key Performance Indicators developed in 2016 within the six groupings embedded in the Evaluation Policy, progressive extension of management information will be built through updated and extended **information and reporting systems**. The priority activities for 2017 will be:
 - i) collecting data on the core indicators, available from existing information and reporting systems, and reporting on these in a re-designed Annual Evaluation Report (AER) 2016 (EB.A/17);
 - ii) progressive introduction of additional KPIs to meet management information needs as WFP's systems are enhanced, as part of the Financial Framework Review;
 - iii) complete drafting guidance for data collection on all KPIs; and
 - iv) Complete the construction of a purpose-built web-based platform and dashboard for decentralized and centralized evaluation with appropriate connectivity with other corporate platforms and systems.

²¹ e.g. ALNAP – the Active Learning Network for Accountability and Performance in Humanitarian Action, on which OEV serves as a Steering Group Member; and professional evaluation associations, such as the American and European Evaluation Associations, and the International Development Evaluation Association (IDEAS).

ANNEX VI

Terminology

As far as possible, common United Nations terminology for budget preparation has been used in this document. WFP-specific terms and definitions have been used where necessary.

Account

A formal record of an asset, liability, revenue or expense for which the effects of transactions are indicated in terms of money or other unit of measurement.

Activity

Activities are actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources, are mobilized to produce specific outputs. The activity is a categorization of the type of work WFP undertakes within its food assistance programmes (examples: General Distributions, School Feeding, Capacity Development).

Annual Performance Report

The main accountability and learning tool for WFP and a primary oversight mechanism for the Board and donors. The APR reflects WFP's results-based management practices and emphasizes the results chain of inputs, outputs, outcomes, processes, challenges and learning. It draws on WFP's accounting and reporting systems, and on consultation with divisions, technical units, regional bureaux, country offices and partners.

Appropriation

The amount approved by the Board for purposes specified in the PSA budget against which obligations up to the amount approved may be incurred for those purposes.

Appropriation line

The largest subdivision of the PSA budget, within which the Executive Director is authorized to make transfers without prior approval of the Board.

Beneficiaries

A targeted person provided with WFP food assistance under at least one WFP intervention at any time during a given reporting period.

Board

The Executive Board of WFP, and its predecessor.

Capital Budget Facility

A revolving fund to enable WFP to implement large-scale initiatives that improve efficiency by reducing costs in the long term.

Contribution

A donation of appropriate commodities, non-food items, acceptable services or cash made in accordance with procedures set out in WFP's Financial Regulations. A contribution may be multilateral, directed multilateral or bilateral.

Critical Corporate Initiatives

Non-recurring investments funded by allocations from the PSA Equalization Account to strengthen WFP's programming, operational and administrative capacity.

Directed multilateral contribution

A contribution, other than a response to an appeal made by WFP for a specific emergency operation, which a donor requests WFP to direct to a specific activity or activities initiated by WFP or to a specific country programme or country programmes.

Direct support cost

A cost that can be directly linked with the provision of support to an operation and that would not be incurred should that activity cease.

Executive Director

The Executive Director of the World Food Programme, or the official to whom the Executive Director has delegated authority and responsibility for the matter in question.

Financial Regulations

Regulations adopted pursuant to General Regulations that govern the financial management of the WFP Fund. The Board may, in exceptional circumstances, grant exemptions from these Financial Regulations.

Full-cost recovery

The recovery in full of operational costs, direct support costs and indirect support costs.

General Fund

The accounting entity established for recording, under separate accounts, indirect support cost recoveries, miscellaneous income, operational reserve and contributions received that are not designated to a specific programme category, project or bilateral project.

Global Commodity Management Facility

A facility that enables WFP to buy food on the basis of estimated regional needs and funding forecasts with a view to exploiting favourable market conditions and minimizing the time required to deliver food to beneficiaries.

Implementation Plan

The aggregation of all the planned activities of all countries based on funding projections. It combines the **prioritized plan of work** and country-specific and corporate trust funds supporting activities at the country or regional level.

Indirect support costs

Costs that support the execution of projects and activities but that cannot be directly linked to their implementation.

Management Plan

The three-year comprehensive plan of work approved by the Board each year on a rolling basis, inclusive of planned outcomes and indicators of achievement, together with the annual WFP budget.

Multilateral contribution

A contribution for which WFP determines the country programme or WFP activities for which the contribution will be used and how it will be used, or a contribution made in response to a broad-based appeal made for which WFP determines, within the scope of the broad-based appeal, the country programme or WFP activities in which the contribution will be used and how it will be used, and for which the donor will accept reports submitted to the Board as sufficient to meet the requirements of the donor.

Operational costs

Any costs of WFP projects and activities other than direct support costs or indirect support costs.

Operational requirements

All direct operational needs and direct support costs related to approved projects and their logical extensions, and projects anticipated to be submitted for approval.

Prioritized Plan of Work

The result of **resource-based planning**, setting out the utilization of anticipated funding on the basis of project funding forecasts.

Programme category

A classification of WFP activities, established in accordance with the General Rules.

Programme of Work

Total of approved WFP project requirements determined in collaboration with governments and other partners, and utilized for funding appeals.

Programme Support and Administrative budget

The portion of the WFP budget allocated to indirect support for WFP's activities.

Project

A separately identified undertaking within a programme category.

Ration

A ration is the food, cash or voucher equivalent provided daily for a beneficiary in a targeted group; it is expressed as the weight in grams of each food type, and varies in size according to needs and available funding.

Resource-based planning

A standard approach for prioritizing and adjusting a project plan on the basis of projected resource levels.

Special account

An account established by the Executive Director for a special contribution, or for monies earmarked for specific activities, the balance of which may be brought forward to the succeeding financial period.

Strategic reallocation

The budget allocations resulting from realignment of the PSA budget to support corporate priorities, deliver value for money and support recurring medium-term investments.

Trust fund

An identifiable subdivision of the WFP Fund established by the Executive Director in order to account for a special contribution, the purpose, scope and reporting procedures of which have been agreed with the donor.

Value for money

WFP defines value for money as “getting the best results for our beneficiaries by using our resources wisely” and achieving the optimal balance between economy, efficiency and effectiveness.

WFP budget

The budget component of the Management Plan, approved each year; it indicates estimated resources and expenditures for programmes, projects and activities, including a PSA budget.

WFP Transfer Modalities Terminology

- **Commodity voucher:** a paper or electronic entitlement expressed in fixed quantities of specified goods; they are a distinct transfer modality, and are not cash-based or in-kind.
- **Cash-based transfer:** a set of transfer modalities through which beneficiaries are provided with purchasing power in the form of cash and/or value vouchers.
- **Cash transfer:** monetary assistance in the form of cash or electronic disbursement to a targeted individual or household for the purchase of food.
- **Value voucher:** a paper or electronic entitlement of fixed value issued to a targeted individual or household and redeemable at specified retailers.

Working Capital Financing Facility

An internal advance financing mechanism whose objectives are to: i) maximize the utilization of project resources; and ii) improve the timely availability of food. The WCFF enables projects to receive advance funding pending confirmation of forecast contributions within established risk-management parameters.

Acronyms Used in the Document

AED	Assistant Executive Director
APR	Annual Performance Report
ARC	African Risk Capacity
BRICS	Brazil, Russian Federation, India, China and South Africa
CBF	Capital Budgeting Facility
CBT	cash-based transfer
CCI	Critical Corporate Initiative
CD&A	capacity development and augmentation
CEF	Contingency Evaluation Fund
CPB	Country Portfolio Budget
CPE	country programme evaluation
CSP	Country Strategic Plan
DEV	development project
DOC	direct operational costs
DRC	Democratic Republic of the Congo
DSC	direct support costs
EMOP	emergency operation
FAO	Food and Agriculture Organization of the United Nations
FEWS NET	Famine Early Warning System Network
FFA	food assistance for assets
FFR	Financial Framework Review
FFT	food assistance for training
GCMF	Global Commodity Management Facility
GHQ	Global Headquarters
GIS	geographic information system
GVLP	Global Vehicle Leasing Programme
IAHE	Inter-Agency Humanitarian Evaluation
IASC	Inter-Agency Standing Committee
ICSC	International Civil Service Commission
3ie	International Initiative for Impact Evaluation
IE	Impact Evaluation
IFAD	International Fund for Agricultural Development
IRA	Immediate Response Account
ISC	indirect support costs
IT	information technology
KPI	key performance indicator
LEG	Legal Office

LESS	Logistics Execution Support System
LTSH	landside transport, storage and handling
MAM	moderate acute malnutrition
mVAM	mobile vulnerability analysis and mapping
MRD	Management Result Dimension
NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
OEV	Office of Evaluation
OS	Operations Services Department
3PA	three-pronged approach
P4P	Purchase for Progress
PPoW	Prioritized Plan of Work
PRRO	protracted relief and recovery operation
PSA	Programme Support and Administrative (budget)
PSAEA	PSA Equalization Account
RBB	Bangkok Regional Bureau
RBC	Cairo Regional Bureau
RBD	Dakar Regional Bureau
RBJ	Johannesburg Regional Bureau
RBN	Nairobi Regional Bureau
RBP	Panama Regional Bureau
REACH	Renewed Efforts Against Child Hunger and Undernutrition initiative
RMM	Management Services Division
SADC	Southern Africa Development Community
SCOPE	WFP's beneficiary and transfer management platform
SDG	Sustainable Development Goal
SPA	Strategic Partnership Agreement
SPC	staff position cost
SRAC	Strategic Resource Allocation Committee
TB	tuberculosis
UNDSS	United Nations Department for Safety and Security
UNEG	United Nations Evaluation Group
UNHAS	United Nations Humanitarian Air Service
UNHCR	Office of the United Nations High Commissioner for Refugees
UNHRD	United Nations Humanitarian Response Depot
UNICEF	United Nations Children's Fund
WHO	World Health Organization