

Update on the Integrated Road Map

2018 Second Regular Session

WFP/EB.2/2018/5-A/1



Integrated *Road Map*

Key content of the document

- i. Draft decisions**
- ii. Implementation update and Contribution analysis** [paragraphs 6 – 18]
- iii. Lessons learned** [paragraphs 19 – 26; Annex I]
- iv. Progress on major issues** [paragraphs 27 – 54]
- v. Governance arrangements** [paragraphs 55 – 102]
 - a) Amendments to align terminology and definitions [paragraphs 58 – 59; Annex II]
 - b) Full-cost recovery [paragraphs 60 – 102; Annex II and Annex III]
- vi. Additional issues for consideration** [paragraphs 103 – 113]
 - a) Transitional governance arrangements for selected CSPs and ICSPs that will be considered at the 2019 first regular session [paragraphs 104 – 108]
 - a) Extending the duration of certain transitional ICSPs to allow approval of CSPs and ICSPs at the 2019 second regular session [paragraphs 109 – 111]
 - b) Continuation of the project-based systems for a short period in 2019 for certain activities that cannot be transferred to the Integrated Road Map framework [paragraphs 112 – 113]

Proposed amendments to WFP General Rules and Financial Regulations

Implementation of the Integrated Road Map requires changes in three main areas:

1. Terminology and definitions that are coherent with the CSP structure

2. Application of full cost recovery and introduction of new cost categories

3. Amendments to delegations of authority (DoA)

For approval at EB.2/2018

Interim DoA approved at EB.2/2017; permanent DoA to be presented for approval at EB.1/2020 following a review

Recommendations related to full cost recovery

a. Recommendations that introduce consequences to ISC

- **Recommendation 3** [in-kind contributions for the PSA]
- **Recommendation 8a** [host government contributions to their own programmes]
- **Recommendation 8b** [contributions from governments of developing countries or countries with economies in transition]
- **Recommendation 9** [Operational Reserve]

b. Recommendations that do not introduce consequences to ISC

- **Recommendation 1** [continuation of twinning arrangements]
- **Recommendation 2** [twinning expansion to cash]
- **Recommendation 4** [continuation of existing waiver for in-kind DSC contributions]
- **Recommendation 5** [flexibility of DSC rates for mandated common service]
- **Recommendation 6** [revenue generated from on-demand service provision as distinct from contributions]
- **Recommendation 7** [integration of trust funds into the CPB]

A sensitivity analysis conducted found negligible impact on ISC

ISC foregone (relating to the four recommendations)

If revenue stays constant	- USD 1.45 million
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10 percent revenue growth in 5 years	- USD 0.9 million
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10 percent revenue growth in 10 years	+ USD 0.2 million (<i>negligible</i>)
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Maximum impact on ISC: Less than 0.5 percent

Selected draft decisions

Board approval is sought for:

Draft Decision iii: Full cost recovery recommendations, as set forth in paragraphs 68–102 of the update on the Integrated Road Map;

Draft Decision iv: Proposed amendments of WFP's General Rules and Financial Regulations as set forth in annex II and that such amendments will be effective as of 1 January 2019;

Draft Decision vi: Three proposals set forth in paragraphs 104–113 in respect of:

- a) Transitional governance arrangements for selected CSPs and ICSPs that will be considered at the Executive Board's 2019 first regular session;
- b) Extending the duration of certain transitional ICSPs to allow approval of CSPs and ICSPs at the Executive Board's 2019 second regular session;
- c) Continuation of the project-based system for a short period in 2019 for certain activities.

Thank you

