

Corporate Target Setting - Initial Proposal 2nd Technical Advisory Group meeting

Overview: This proposal is presented to the Technical Advisory Group (TAG) for discussion. The document includes a proposed set of output indicators to be prioritized for target-setting as well as a proposed approach to setting targets against a selection of performance management indicators, with the overall aim to improve governance, oversight and accountability. Planning assumptions are included, for discussion at the upcoming TAG. The proposal is based on extensive joint analysis by technical teams in WFP's performance management and operations services departments.

Note: The proposed list of indicators is specific to this target-setting exercise. WFP will continue to report on its wider programme performance through the country-level and global- level reports.

Part 1 – Output Indicators

The proposed indicators for global target-setting have been selected in adherence to the following criteria, reflecting the discussions with TAG membership during the meeting held on 25th of January 2019:

- 1) Indicators shall be prioritized from outputs approved in the revised CRF¹;
- 2) Indicators shall be representative of the bulk of WFP's operational requirements;
- 3) Indicators shall consider the breadth of WFP's work;
- 4) Indicators shall be Strategic, Measurable, Achievable, Realistic, and Time-bound.

In line with these criteria, two broad categories of targets have been identified:

- 1) Indicators related to types of transfer modalities;
- 2) Indicators related to targeted beneficiaries.

Planning Assumptions for Target Setting and Reporting:

- Targets will be annual, not cumulative, and set for the period 2019 – 2021 [ie: target for 2019; target for 2020; target for 2021].
- Targets will be informed estimations, based on approved project documents where available and informed by recent trends.
- Targets will correspond to needs-based plans, which are the basis for CSPs, not resource-based implementation plans.
- Targets related to beneficiary numbers will consider only Tier 1 direct beneficiaries.
- Target-setting and reporting will aggregate at global level, country-level data.²
- Achievement against targets³ will be reported on in the Annual Performance Report, presented annually to the Executive Board, starting from reporting year 2019.

¹ All indicators included in the revised CRF have methodologies and have been tested.

²As noted in the agreed ToR of the TAG, the introduction of corporate targets should not require adjustments to CSPs and/or dictate future country office planning which is determined in consultation with governments and partners, based on needs.

³ As noted in the agreed ToR of the TAG, some 80% of WFP's resources are in response to crises – and implementation will continue to be determined by the global context and needs. In addition, WFP is 100% voluntarily-funded, with nearly 95% of funding earmarked. Both factors have implications on delivery against targets.

The measurement of WFP’s programme performance is built around two strategic goals based on SDGs 2 and 17, supported by five strategic objectives and eight strategic results, as set out in the WFP Strategic Plan (2017–2021). The five **strategic objectives** frame WFP’s programmatic and operational focus. Table 1 shows the relationship between the organization’s strategic objectives and selected output indicators.⁴

Table 1. Selected output indicators under WFP Strategic Goals and Strategic Objectives

Strategic Goal 1: Support countries to achieve zero hunger			Strategic Goal 2: Partner to support implementation of the SDGs	
Strategic Objective 1: End hunger by protecting access to food	Strategic Objective 2: Improve Nutrition	Strategic Objective 3: Achieve food security	Strategic Objective 4: Support SDG implementation	Strategic Objective 5: Partner for SDG results
1. Total quantity of food provided (MT) to targeted beneficiaries				
1a. Quantity of fortified food provided				
1b. Quantity of specialized nutritious food provided				
2. Total amount of value transferred (USD) to targeted beneficiaries				
2a. Total amount of value transferred (USD) to targeted beneficiaries through unrestricted cash				
2b. Total amount of value transferred (USD) to targeted beneficiaries through vouchers				
3. Total USD value of capacity strengthening transfers				
			4. Total USD value of providing services to partners	
			5. Total number of partners supported	
6. Total number of beneficiaries targeted through WFP food and cash-based transfers				
6a. Number of schoolchildren targeted through school feeding interventions				
6b. Number of persons targeted through nutrition-specific interventions				
6c. Number of persons targeted through Food Assistance for Assets				
6d. Number of persons targeted through unconditional transfers				

⁴ The relationships presented in the table are the most frequently used. Other combinations are possible depending on local context and national strategies.

Table 2 presents the analysis contained to support the selection of indicators, and provides clear indication for the types of indicators which will be most representative of the bulk of WFP's programmes and resources:

Table 2. Proposed output indicators and rationale

CRF-Related Output Indicator	Rationale for Inclusion
Category A: Transfer Modalities	
1. Total quantity of food provided (MT) to targeted beneficiaries	Food and Cash transfers represent WFP's primary resource outputs globally – cutting across countries and the overwhelming majority of programme interventions. As such, the indicator category is most representative and relevant for target setting.
1a. Quantity of fortified food provided	
1b. Quantity of specialized nutritious food provided	
2. Total amount of value transferred (USD) to targeted beneficiaries	Under indicators 1 & 2, sub-indicators break down resources designated for nutrition-specific, nutrition-sensitive and cash-based programming.
2a. Unrestricted cash	
2b. Voucher	
3. Total USD value of capacity strengthening transfers	WFP's commitment to capacity strengthening cuts across all programme areas and ranges from individual to institutional capacity strengthening. The proposed indicator captures the full breadth of resources designated to this area of work, globally.
4. Total USD value of providing services to partners	Common services represent more than 12% of WFP's operational requirements (under the 2019 management plan). The proposed indicator captures the breadth of resources designated to deliver WFP's broad range of services to partners, globally.
Category B: Beneficiaries	
5. Number of partners supported	Common services represent more than 12% of WFP's operational requirements (under the 2019 management plan). The proposed indicator captures a global aggregation of the number of country level partners benefitting from WFP's broad range of services.
6. Total number of beneficiaries targeted through WFP food and cash-based transfers	This output indicator represents WFP's primary direct output globally – cutting across countries and the overwhelming majority of programme interventions. As such, the indicator category is most representative and relevant for target setting.
<i>Sub-indicators representing a selection of programme interventions most prevalent across WFP's COs</i>	
6a. Number of schoolchildren targeted through school feeding interventions	Inclusion of this sub-indicator is relevant as WFP implements programmes in/through schools in some 70 countries globally.
6b. Number of persons targeted through nutrition-specific interventions	Inclusion of this sub-indicator is relevant as in 2017/2018, some 55 COs implement nutrition-specific interventions.
6c. Number of persons targeted through Food Assistance for Assets	Inclusion of this indicator is relevant as in 2017/2018, some 52 COs implemented FFA interventions.
6d. Number of persons targeted through unconditional transfers	Inclusion of this indicator is relevant as related outputs represent the highest proportion of operational requirements in the 2019 management plan.

Part 2 – Management Performance Indicators

The revised CRF included, for the first time, a set of key performance indicators to describe WFP's management performance as an organization. These indicators are to be used in the framework of the management performance approach approved in the document (*see Table 3*).

These Key Performance Indicators measure **how** the different functional areas within WFP contribute to the achievement of the organization's programmatic results (**what**). Each of the three high-level KPIs is composed of lower level indicators, which measure actual performance against standards that are set for each function and area of work (i.e. targets). The lower level indicators are used for internal purposes, and individual values for each component or office are not designed for decision-making outside the organization.

The three high-level KPIs, being composites, have corporate targets, either in the form of aggregated values for the entire WFP or as the number of countries which achieve a certain standard, as shown in the table below. The high-level KPIs will also be accompanied by visual presentations such as the ones in the revised CRF document.

Table 3. Proposed KPI indicators and rationale

Indicator	Target format
KPI 1 – Overall achievement of CSP implementation	% values for all country offices for each of the four components (A. % of outcome indicators with implementation; B.% of outcome indicators achieved or on track; C. % of output indicators with implementation; D. % of output indicators achieved or on track).
KPI 2 – Effective and efficient emergency preparedness and response	X out of 5 standards achieved.
KPI 3 – Overall achievement of management standards	Number of country offices achieving standards (for each of the ten functional areas: Management, Programmes, Supply Chain, Budget and Programming, Human Resources, Administration, Finance, Information Technology, Security and Resource mobilization, communications and Reporting).

Next steps:

- Following agreement on the proposal and planning assumptions, WFP will analyze trends, planning/actual figures and develop a further proposal for annual targets against each indicator.
- The proposal will be shared with the TAG ahead of the next meeting.