



WFP EVALUATION



World Food Programme

SAVING LIVES
CHANGING LIVES

Review of the implementation of recommendations from thematic evaluations of a strategic/global nature

Report on the Strategic Evaluation of Funding WFP's Work (2020)

May 2022

Background

This report on the Strategic Evaluation of Funding WFP's Work (2014–2019) was produced within the framework of the Review of the Implementation of Recommendations from Global Evaluations (2016 – Q2 2020). The review looks at recommendations from Global Evaluations issued between 2016 and the first half of 2020 to shed light on their uptake and identify areas where further action is recommended by the World Food Programme (WFP). The review comprised ten stand-alone reports as well as one synthesis report.

The review was commissioned by the WFP Office of Evaluation and conducted by the consulting firm *hera*. The review team from *hera* based their analysis on data from the Risk and Recommendation (R2) tracking tool that was extracted in March 2021, as well as semi-structured interviews with WFP staff that were conducted between April and June 2021. Before publishing the report, Office of Evaluation complemented *hera's* analysis by updating outdated information based on comments and input received from WFP staff/action-owners in January 2022.

Disclaimer

Responsibility for the opinions expressed in this report rests solely with the authors. Publication of this document does not imply endorsement by WFP of the opinions expressed.

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Introduction

The Strategic Evaluation of Funding WFP's Work was conducted in 2019 by Avenir Analytics and managed by the World Food Programme (WFP) Office of Evaluation. The evaluation was presented to the Executive Board in July 2020 and is one of the three strategic evaluations covered by the review. The timing for the evaluation was considered opportune as the follow-up to the recommendations would feed into the new Strategic Plan 2022–2026. The evaluation assessed the quality and results of WFP's efforts to secure adequate and appropriate funding of its work between 2014 and 2019. The four questions answered by the evaluation were:

1. Has WFP developed a comprehensive, coherent and effective policy framework, strategy and organizational structure to ensure adequate and appropriate funding for WFP work?
2. Has WFP successfully implemented the tools, approaches, incentives and individual capacities to attract adequate and appropriate funding for WFP work, including from private sources?
3. Has the move to the Integrated Road Map (IRM) helped or hindered mobilization of adequate and appropriate resources and what opportunities are there for the future?
4. Have WFP's internal resource-allocation mechanisms helped meet the organization's priority needs on time?

The evaluation issued eight recommendations which were all agreed to by management. The recommendations had in total 28 sub-recommendations. In responding to these sub-recommendations, management identified 28 actions to be implemented by three organizational entities (Partnership and Advocacy Department (PA) [11 actions], Programme and Policy Development Department (PD) [7], and Resource Management Department (RM) [10]). By March 2021, the WFP monitoring system (R2) reported that 12 actions had been implemented while 16 were ongoing (see Annex 1).

Findings

Management and the evaluation team were closely working together in the context of this evaluation, and management recognized that all areas brought forward by the evaluation needed to be addressed, resulting in all recommendations agreed by management.

As confirmed by several key informants, the recommendations touch on big issues for the organization – the ambitions and priorities of WFP. These are related to the tensions between saving lives and changing lives and between needs vs resources. These issues are covered in the new Strategic Plan 2022–2026, which should “clearly articulate with one voice WFP's full mandate and priorities for ending hunger and improving nutrition and act accordingly” – the first recommendation of the funding evaluation. This balancing act in the development of the new Strategic Plan has the capacity to harmonize the different visions and requirements put forward by stakeholders, including Executive Board members, a range of different donors and constituencies, WFP staff, and others.

The post hoc assessment rates the funding evaluation as highly satisfactory. Recommendations stem logically from the findings and conclusions and are targeted, actionable and realistic. Each recommendation specifies a timeline for action. The recommendations are not prioritized as the report specifies that they are equally important and should be implemented together.

As indicated in the presentation of the evaluation findings to the Executive Board, the first three recommendations have a strategic connotation. These recommendations concern developing WFP's new Strategic Plan in a collaborative way, investments needed to enable WFP to undertake its changing life role, and the need to diversify WFP's funding resources. Recommendations 4 to 8 refer to the need for internal change processes.

Table 1 Summary of recommendations and management responses

Recommendation (short)	Management response
Rec 1 – Take a collaborative approach to developing the next strategic plan that should link WFP’s mandate with funding ambitions, priorities and approaches	Agreed
Rec 2 – Strengthen the foundation for financing WFP’s work in changing lives	Agreed
Rec 3 – Diversify sources of funding	Agreed
Rec 4 – Invest in critical resource mobilization and communications, marketing and advocacy personnel	Agreed
Rec 5 – Invest in tools, products, processes and protocols	Agreed
Rec 6 – Redouble efforts on IRM ambitions	Agreed
Rec 7 – Improve the effectiveness of corporate resource allocation processes and decisions	Agreed
Rec 8 – Strengthen advance financing mechanisms	Agreed

The present review spans across a year of implementation, and many actions are ongoing or are in initial or pilot phases, for example, human resources (HR) investments, Bottom-Up Strategic Budgeting Exercise (BUSBE) operationalization or becoming accountable and transparent in prioritizing resource allocations and monitoring performance. Some recommendations are partially implemented, although they were marked implemented, thus leaving room for further follow-up.

Rec 1 – Take a collaborative approach to developing the next strategic plan that should link WFP’s mandate with funding ambitions, priorities and approaches

<i>Are the actions defined in the management response relevant to the recommendation?</i>	The agreed actions are not adequately responding to the recommendations and specific-enough in terms of linking WFP’s mandate in a new strategic plan with funding ambitions, priorities and approaches and elaborating on the topics of capacity to respond to emergencies, the humanitarian–development–peace nexus and WFP’s contribution to sustainable development.
<i>Have the actions of the management response been implemented?</i>	WFP has engaged in a consultative approach to develop the new Strategic Plan. The new plan reflects the links between mandate and funding ambitions, priorities and approaches.

The recommendation is divided into two sub-recommendations related to the development of the new Strategic Plan which are aspirational, rather than specific, measurable and actionable. The first sub-recommendation is alluding to the strategic importance of communicating with a single voice and prioritizing WFP’s full mandate for ending hunger and improving nutrition linked to WFP’s funding ambitions, priorities and approaches. Action statements only confirm the findings of the evaluation and, in fact, no concrete actions and no further direction on funding ambitions, priorities and approaches are formulated. The action statement on the second sub-recommendation speaks to the strategic directions suggested in the sub-recommendation: emergency response capacity, sustainable development and the humanitarian–development–peace nexus in relation to funding ambitions.

The Strategic Plan 2022–2026 does not specifically refer to the Evaluation of Funding WFP’s Work, but it addresses the requirements of the recommendation. It includes a section that explains how the two parts of WFP’s mandate of saving lives and changing lives come together and reinforce each other, while specifying the expected outcomes of WFP’s work by 2026. A specific section is dedicated to the humanitarian–development–peace nexus. Moreover, the Strategic Plan includes a section on Finance, which describes how WFP intends to transition to more multi-year and flexible financing as well as to access, sequence and combine different sources of financing for various elements along the humanitarian–peace–development nexus. The Strategic Plan states that WFP will boost national crisis response through anticipatory planning and will consider innovative funding instruments such as climate-risk financing, weather-index insurance or shock-responsive social protection financing mechanisms. In addition to working closely with national governments, WFP intends to strengthen its partnerships further with the private sector and financial institutions, including on innovative financing solutions.

Regarding the collaborative approach to develop the Strategic Plan that is requested by the recommendation, a broad range of stakeholders have been consulted including WFP staff worldwide (online platform) and, for the first time, beneficiaries. The Executive Board approved the Strategic Plan during the November 2021 EB session.

Rec 2 – Strengthen the foundation for financing WFP’s work in changing lives

Are the actions defined in the management response relevant to the recommendation?

The agreed actions did not adequately address the recommendation. Developing a consolidated plan is not denoted as an explicit activity. Management responded to the recommendation on investing in the organizational capacity (“better position itself”) with strategic directions rather than concrete actions.

Have the actions of the management response been implemented?

Activities that strengthen the foundation for financing WFP’s work in changing lives, including tailored development offers, engagement notes and investment in WFP’s organizational capacity, have been set into motion, but cannot yet be considered implemented.

The recommendation and three sub-recommendations are considered relevant and useful, and informants confirm they provide the necessary strategic direction and were acted upon.

a) Plan for accessing development financing A consolidated plan for and approach to accessing development financing, including clarity on potential sources and requirements, has not been shared with the review team. However, as indicated by management, WFP has designed a tailored development offer¹ that links its value-add to government-led initiatives, targeting root causes and working towards the achievement of a broader range of Sustainable Development Goals (SDGs). A portfolio approach based on three pillars (rural transformation, sustained infrastructure and human capital development) facilitates the engagement with governments, international financial institutions and other development partners, through a set of ten development activities that can be drawn upon. The Strategic Partnerships Division (STR) has been working on these ten development activities (see Annex 4): umbrella documents for two out of three pillars have been prepared, and guidance notes for five development activities have been completed.

Furthermore, STR has developed institution-specific Engagement Notes (see Annex 4) to support engagement with international financial institutions (including African Development Bank, Asian Development Bank, Agence Française de Développement, the Inter-American Development Bank, the Islamic Development Bank, the International Monetary Fund, and the World Bank) and posted these on WFP’s websites WFPgo and SalesForce. Programme and Partnership Support Critical Corporate Initiative (CCI) complemented and contributed to the deliverables above, including the development of Financing Strategies for Digitalisation, Nutrition, School Based Programmes and Social Protection.

¹ See also Strategic Partnerships Intranet Site: <https://newgo.wfp.org/about/strategic-partnerships-division>.

b) *Organizational capacity* Established through extra-budgetary funding in 2019, STR continued to rely on investment case / Strategic Resource Allocation Committee (SRAC) funding when data was collected for this review. However, by the time this report was published, STR had been regularized within the Programme Support and Administrative (PSA) budget. This was necessary to ensure that appropriate resources are available on a sustainable basis for the provision of analysis, guidance and support to country offices and regional bureaux, including capacity support to enable WFP to engage in development dialogue and align its activities with national financing priorities.

STR is showing leadership and guidance in development funding opportunities that focus on international financial institutions and alignment with national plans. To that end, in 2020, WFP participated in tri-partite agreements with government and international financial institutions in 27 countries for a total of USD 290 million. STR has ensured support for the development and negotiation of agreements, in coordination with the relevant technical units, which in turn informs future proposal and engagement in other countries. The guidance provided for engagement is updated accordingly.

c) *Ambition for brokering direct development financing* WFP's ambition for brokering direct development financing for national partners aligned with WFP Strategic Result 7 and SDG 17.3 and for institutionalizing the approach has been clarified in the documents referred to above.

Rec 3 – Diversify sources of funding

Are the actions defined in the management response relevant to the recommendation?

The agreed actions adequately address the recommendation to continue to explore, implement and invest in strategies for diversifying its sources of funding.

Have the actions of the management response been implemented?

Actions identified in the management response have been followed-up and can be considered implemented. Spin-off actions continue.²

a) *Private sector strategy:* The Private Partnerships and Fundraising Division (PPF) ensured that key capabilities are in place to continue the crucial work of the private sector engagement across the entire organization, supported by the Private Sector Partnership and Fundraising Strategy 2020–2025. It took several years to get this strategy through the Executive Board.

With the investments in 2020, the teams working on corporate and foundation engagement, global services and country office support are now more sufficiently skilled to execute a more focused and specialized approach. WFP's digital individual giving programme made an important contribution to narrow the funding gap. Overall funding from the private sector increased from \$101 million in 2019 to USD 162 million in 2020 and \$494 million³ in 2021.

The strategy is to implement the IG investment programme (approved by the Board and operating contingent upon results achieved) as a self-sustaining model. The aim of the management implementation plans is to increase the margin on returns and re-investing individual private support with increasing efficiency. For that reason, the Department is continuously testing and optimizing their “funding vehicles” (e.g. a loan to WFP) to increase over time the share of private donations going to WFP's programs. Performance demonstrated – as per the recommendation – could lead to more ambitious income targets. Management iterated that “the individual giving has been prioritized and really has potential”, however

² In commenting on the draft version of this report, management indicated that despite these actions, an analysis of the end of 2021 fundraising performance shows that WFP's funding has become more concentrated.

³ This includes an unforeseen contribution of USD 288.4 million from the Famine Relief Fund for WFP's programmes in Yemen.

concrete results were not mentioned in the interviews. Feedback to the Executive Board is provided regularly.

b) Innovative financing: Actions formulated in response to the recommendation, which is regarded highly relevant, already started with developing a strategy and resource allocation. However, a supporting structure was not yet in place at that time. A consultation paper was prepared by the Corporate Finance Division (May 2020) and guides the development of the strategy and structure for a more proactive approach towards accessing innovative financing.

Investment case funding was secured for new innovative financing initiatives. Following a decision in April 2020 by Assistants Executive Director (AEDs) of RM, PA and PD to make innovative financing a corporate priority, a Steering Committee on Innovative Finance was established and met for the first time in May 2020. The committee prioritized three innovative financing areas during its first meeting: debt swaps, blended finance and multilateral co-financing. A fourth area, Changing Lives Fund, was added to the list of priority areas in July 2020, as a key enabler of the work on innovative finance. In addition, working groups were established (in July 2020) for each of the priority areas, and part of resources from the investment case have been used to cover staff costs across various divisions for employees spending significant proportion of their time on innovative financing work.

c) Joint programming and resource mobilization: The agreed action proposed in the management response is considered relevant and actionable by informants: the action directly follows-up on the recommendation to step-up engagement with other United Nations organizations and capitalize on opportunities for joint programming and resource mobilization. To that end, WFP carried out a scoping of seven partner United Nations entities, including a cost – benefit analysis of engagement to determine engagement strategies. In addition, an exploration of thematic funding opportunities—including Nutrition, Schools-based programmes, Social Protection, Digitalization, Climate and Livelihoods—was undertaken to assess where WFP could have a comparative advantage. And with the emergence of Covid-19, joint proposals for pooled funding have been submitted to the United Nations Secretary-General’s Multi-Partner Trust Fund Office, including the United Nations Children’s Fund (UNICEF).

Rec 4 – Invest in critical resource mobilization and communications, marketing and advocacy personnel

Are the actions defined in the management response relevant to the recommendation?

The agreed actions adequately address the sub-recommendations.

Have the actions of the management response been implemented?

Work is ongoing and first steps have been made in terms of investments in resource mobilization for recruitment, strategic workforce planning and national and specialized staff.

a) Human resource strategies and funding arrangements: As the staffing coordination function was regarded as a function that comes along with other job commitments, it has now been acknowledged as a full-time professional function. As a first step towards strategizing human resources in this functional area, WFP appointed a full-time staffing coordinator for the Partnerships and Advocacy Department (PA) covering both the partnership and communications functions. Working with the Human Resources Division (HRM) the coordinator conducted a pilot on strategic workforce planning for the partnership function, a first-time deeper dive and identification of functional needs. Based on the pilot, an implementation plan, which entails career planning and succession planning for all global offices, has been developed and is currently being implemented.

b) National and specialised staff investments: The road to investing in national staff in partnership functions and specialized staff with expertise in innovative financing, marketing and advocacy is now being facilitated *inter alia* by the introduction of the Future International Talent (FIT) pool. Partnership and communication

FIT pools were created for the first time. They are expected to support the organizational change towards new capacities for partnership-related roles: away from internal pooling on a rotational basis. The FIT pool does not cover national staff, only international professional positions; the review has no further information on other investments.

In terms of new analysis and guidance from headquarters, the Office of Political Strategy was newly created reporting to the AED PA. It is occupied with analyzing opportunities and building relationships using a political lens.

Rec 5 – Invest in tools, products, processes and protocols

Are the actions defined in the management response relevant to the recommendation?	The agreed actions are aligned to the recommendation and mainly refer to ongoing activities, which gives the general impression of reinforcing what WFP is already doing. Management agreed with the recommendation, although strengthening grant compliance only at country level is being questioned by some respondents.
Have the actions of the management response been implemented?	Organizational capacity building to improve services related to funding is ongoing. Specific investments in tools, processes and protocols take place, although investments in the capacity of CAM are lagging behind.

a) *Coordination and protocols for engaging with donors:* WFP already outlined a high-level draft framework addressing roles and responsibilities in support of a harmonized approach to funding its strategic plan and prioritized needs. At the time of the evaluation in December 2019, a PA–RM joint directive was issued formalizing both new forecasting procedures and Salesforce as WFP’s corporate tool for forecasts and donor intelligence.⁴

Salesforce already existed but has been reinforced to approach corporate resourcing systematically by hosting partner-relevant information from all WFP stakeholders that is available at all levels of the organization in all functional areas. Salesforce has been implemented and rolled out to all country offices, regional bureaux, global offices and PA divisions. All staff working on partnerships globally have received training on the platform. It is now used regularly by partnership staff, receiving over 200 logins per day on average. A multidisciplinary WFP high-level steering committee provides oversight and guidance for Salesforce.

b) *Communication, advocacy and marketing tools:* Responding to the recommendation, management intends to increase and sustain investment and capacity in areas of advocacy to influence targeted policymakers, decision makers and donors. However, substantially lower allocations than requested in the investment case hinders Communications, Advocacy and Marketing Division (CAM) to expand and sustain the advocacy team to absorb corporate’s requests efficiently and undertake evidence-based policy advocacy, form a small team for public mobilization, and produce additional content streams beyond emergency response and for new target audiences, such as international financial institutions, host government, etc.

Despite these capacity limitations, much of the groundwork has been done. Themes were prioritized and thematic products were refreshed to reflect corporate’s priorities and provide the basis for WFP’s brand positioning, especially towards new funding opportunities and strategic partnerships in the development agenda. Based on Executive Director (ED)’s and corporate priorities, a workplan (and key performance indicator framework) defining optimal investment and capacity needed to facilitate fundraising and policy change were designed and shared among the CAM network, both vertically (global offices, regional bureaux and country offices) and horizontally (HQ’s divisions). Furthermore, CAM-led initiatives in advancing the organization’s capabilities and M&E and audience segmentation analysis were completed, making use of

⁴ See the Salesforce page on WFPgo for further information and how to get access: <https://newgo.wfp.org/services/salesforce>

integrated listening tools accessible and customizable for global offices, regional bureaux and thematic divisions.

c) *Grant compliance by country offices:* Management has agreed to the sub-recommendation but respondents emphasize that the oversight function is a responsibility to take at all levels, not only to be strengthened at country level.

In January 2020, a dedicated workstream on the end-to-end grant management process was launched with the objectives of simplifying the grant management process and achieving greater efficiency, reduced complexity and clear roles and responsibility for staff at the country office, regional bureaux and headquarter levels. Subsequently, management expects that a simplified and efficient grants management business process would be rolled out in early 2021 to enhance the ongoing processes.

Process improvements across the grants management end-to-end process were identified and the simplification of grants management processes was expanded to include automation and digitization initiatives. Issues were identified through workstreams. The subsequent mainstreaming to responsible divisions is reported to have been successful. In 2020, several training sessions on grant management were conducted for headquarter offices and regional bureaux. It is assumed that country offices have benefited or will benefit through the e-learning Grants Management Life Cycle training. This could not be verified.

d) *Promote predictable and flexible funding:* The evaluation recommends maintaining high levels of engagement in global humanitarian and development settings. Management confirmed that WFP consistently highlights the importance of adequate, predictable and flexible funding. In its ongoing dialogue with partners, WFP also promotes multi-year funding as an important contributor to the sustainability of programmes and operational continuity. Flexibility and predictability are consistently advocated at every relevant opportunity. This is supported by briefs to convey the key messages to be discussed by WFP executive management with donor counterparts. Efforts have resulted in rising numbers of multi-year agreements, from six in 2012, to 13 in 2020; an additional number of longer-term agreements are currently under negotiation.

Evidence has been provided on several initiatives to promote flexible and predictable funding. The Annual Flexible Funding report has been issued for 2020, 2019, 2018, and 2017. The reports explain how flexible and predictable contributions have allowed WFP to be agile in its response to emergencies, to address forgotten crises and to promote its changing-lives agenda. Furthermore, in 2019 WFP issued a Reflection paper for the Grand Bargain Co-Convenors Group aimed at overcoming the challenges to enhance flexible funding. The paper aims to stress achievements and further actions by WFP to increase its flexible funding.

Overall, the agreed actions mostly refer to ongoing activities, thus indirectly questioning the usefulness of the recommendation other than reinforcing what WFP is already doing. In that sense the evaluation recommendation could be seen as a strategy confirming WFP's approach. The sub-recommendation on the promotion of predictable and flexible funding is a good example: it emphasizes the need for WFP to continue with what they already initiated; the agreed action does not emphasize new foci either.

Rec 6 – Redouble efforts on IRM ambitions

Are the actions defined in the management response relevant to the recommendation?	The agreed actions adequately respond to the recommendation.
Have the actions of the management response been implemented?	The PD department is “recommendation lead” (see R2) and action-owner. ⁵ However, progress on activities could not always be ascertained by PD key informants as it appears that the PA department implements (Pilot CSPs, Resilience).

a) *Aligning next generation CSP and UNSDCF:* The sub-recommendation is regarded as very useful by management and is seen as an obligation to align next generation CSPs with United Nations Sustainable Development Cooperation Framework (UNSDCF) processes as part of the UN reform. WFP’s second generation CSPs are being aligned with the UNSDCFs in terms of implementation cycles.

PROM has been encouraging regional bureaux and country offices to facilitate WFP’s early involvement in Common Country Analysis (CCA) – as well as UNSDCF formulation processes to adequately include and position SDG 2-related food security and nutrition considerations, as well as any other cross-cutting contribution as feasible and relevant. PROM, in collaboration with others, ensures that the country offices are equipped to manage both processes almost at the same time.

WFP’s crises response activities reflected in CSPs continue to be aligned with the Humanitarian Response Plans (HRPs). The recommendation, however, does not include mention of the importance of the HRP, which is regarded important as well for the CSPs. A recent analysis of donors’ grants allocation towards changing lives activities (2020) by the Programme Cycle Unit reveals that the share of emergency assistance-oriented activities in country operations is still quite significant as recently confirmed by a changing lives/saving lives analysis conducted by PRO-M based on donor’s grant allocation, which found that 81 percent of WFP’s global portfolio are saving lives/emergency assistance activities, while longer-term/development-oriented assistance accounted for 19 percent globally.

b) *Reflection of resilience and development targets:* Respondents from the PD department mentioned that the UNSDCF process offers WFP the opportunity to focus also on resilience and development joint plans. Respondents iterated that actually the PA department is the entity to shed light on the process of identifying how the resilience and development targets in CSPs are reflected in global resource mobilization targets, ambitions and communications. Public Partnerships and Resourcing Division (PPR) is setting up a “thematic team” to ensure closer alignment with PD on targets and ambitions.

c) *Connection between resources and results:* The Corporate Planning and Performance Division (CPP) is currently leading the development of the revised corporate results framework (CRF), building on exercises to develop a Theory of Change and a Line of Sight and taking into account the draft strategic plan as a key driver of the framework. The draft CRF includes a specific section on cross-cutting results and indicators. The so-called bundling, or combining, of activities in country office reporting is part of the problem of connecting resources and results. Corporate guidance in solving the issue is seen as a gradual process. To facilitate a smooth transition of CSPs into the new SP/CRF framework, a group led by the Research, Assessment and Monitoring Division (RAM) is testing the SP results framework (SPRF) and CRF. This work includes translating select current CSPs into the new SPRF and CRF, testing new activity categories, and identifying solutions for resolving challenges around activity combining.

d) *Activity level earmarking* Respondents from PD refer to the PA department to reflect on the progress of activity level earmarking. Progress on activity level earmarking is monitored by PA/PPR as part of its efforts to continue strive/advocate for flexibility. It should be noted that while PPR is the “coordinator” of

⁵ “Management response to the recommendations of the summary report on the strategic evaluation of funding WFP’s work (2014–2019)” (WFP/EB.A/2020/7-C/Add.1 1).

Partnership Action Plans (PAPs) in second generation CSPs, PAPs are actually a country office exercise supported in first instance by regional bureaux and also by headquarters through cross divisional efforts and being reviewed by all divisions/units including PD. The R2 database does not provide detailed information on action progress. We also refer to findings on these topics covered in the review report for the evaluations on partnerships and pilot CSP.

e) *Specialized donor reporting and budgeting*: Respondents from PD refer to the PA Department to reflect on the subject. The annual country report is always advocated for with donors, although a number of donors still ask for different degrees of specific reporting, which PA/PPR along with country offices (if contributions are locally generated) strive to minimize through negotiation. If specific reporting is required, the additional costs that results from such reports are charged to the donor.

Rec 7 – Improve effectiveness of corporate resource allocation processes and decisions

Are the actions defined in the management response relevant to the recommendation?

The agreed actions are aligned with the sub-recommendations. The response reflects many actions that already took place or were to be implemented shortly.

Have the actions of the management response been implemented?

Operationalization of actions faces challenges, and it will probably take time and further organizational commitment to become accountable and transparent fully in prioritizing resource allocations and monitoring performance.

a) *Bottom-Up Strategic Budgeting Exercise*: The recommendation to invest in the implementation of BUSBE has been perceived as highly relevant and useful. Building on previous support for this initiative, the BUSBE team has been adequately resourced and has grown to eight staff. BUSBE started in May 2020 under the leadership of the Office of the Executive Director, supported by the Budget and Programming Division.

In Phase 1, analysis was conducted, and recommendations were developed across four workstreams. Implementation in Phase 2 started in 2021 with the roll-out of a new budget framework with divisions building their budget for approval in the management plan. The BUSBE team supports divisions to build those budgets. With BUSBE in place, divisions need to explicitly articulate activities against special accounts and trust funds for the first time. At the end of Phase 2 in September 2021, BUSBE was expected to have introduced transparent, clear, well-structured and well-articulated budgets.

b) *Linking corporate priorities and resource allocation*: The recommendation is regarded as very useful as it is recognized that previously management plans and resource allocations were not forced to align with corporate priorities.

Now, with BUSBE being rolled out, it should be possible for this link to be more clearly established, and allocations should abide to the criteria and prioritization rules set for funding CSPs and investment cases. The Budget and Programming Division, in its capacity as SRAC Secretariat, developed the prioritization process through a consultative process. For the allocation of multilateral funds for CSPs, this has been a straightforward process. The prioritization process for investment cases was more complicated and took more time, as different criteria from SRAC, divisions, regional bureaux and country offices had to be accommodated.

Ideally, WFP's resource situation would require that all activities are included in the overall prioritization process to increase transparency and improve performance monitoring and accountability. However, the prioritization procedures have not yet fully prevented ad hoc allocation decisions, e.g. the conversion exercise that was discussed by the leadership group (LG), or divisions submitting investment cases upfront for higher level approval or ED priorities first being attended to. Allocation decisions might not always be clear, and conflicts of interest have been signalled resulting in reverse decision flows, i.e. first allocating resources and then reviewing its priority. Moreover, some informants question the corporate priorities and

how they are applied. Nonetheless, informants emphasize that the prioritization process is only in its first year of application.

c) SRAC allocation decisions information and d) timely decision making: In line with above, management fully supports the recommendations on timely decision making and the transparent and timely distribution of information on the allocation decisions by SRAC. However, informants flag that regular disseminations to WFP staff of SRAC decisions in, for example, a quarterly report has not been observed. According to an informant, the use of Teams space for information sharing on this topic would not be sufficient, as access to Teams space is not for all staff.

e) Tracking and reporting on the use of resources: The action in the management response states that the Tagetik platform is in place to facilitate monitoring and reporting on all extra-budgetary activities (including CCI and investment cases). One informant mentioned that sometimes actions read as if all was in place when in fact this was not always the case. A reason could have been that RM was of the opinion that there was no reason for change as the system was already there. Activities are ongoing to optimize the use of the platform. Full transparency in the system linking budget, performance and expenditure, and making these publicly visible, remains a challenge for a while.

f) Implications of an inflexible indirect support cost rate: A concept paper to inform the Executive Board was already drafted at the time of the formulation of the recommendation. It was presented to the Board in 2020. Member States decided not to change the current methodology to determine indirect support costs.

Rec 8 – Strengthen advance financing mechanism

Are the actions defined in the management response relevant to the recommendation?

The agreed actions adequately respond to the recommendation.

Have the actions of the management response been implemented?

Most commitments are ongoing. Given the increased workload due to the global pandemic, the pilot on advance financing and the use of the Trust Fund for Covid-19, it remains unclear how the advance financing mechanism can become a sustainable strength in the operations of the organization.

a) Internal resources for resilience and development activities: The recommendation is regarded useful and completely in line with the plans to allocate upfront at the beginning of 2020 all multilateral funding for resilience building and root cause activities, thus enabling planning, predictability and long-term impact on activities. This was agreed by SRAC by means of pilot for one-off allocation of multilateral funds at the beginning of the year.

b) Emergency advance financing facility: The joint directive on the management of the Immediate Response Account is being reviewed and updated by CPP to reflect the post-IRM framework waiting for approval. No other activities were undertaken considering the increased workload due to the global pandemic.

c) Advance financing for common mandated services: This is an ongoing activity. Based on lessons from the Covid-19 response, management wants to review existing funding instruments for corporate/global response. Due to lack of a more adequate budgeting and operating framework, the Trust Fund was used as a funding instrument for the Covid-19 response. This was also a finding of the recent evaluation of WFP's Response to the Covid-19 Pandemic and is described in more detail in the corresponding Evidence Summary Report 4 on Financing. The Evidence Summary concluded that "WFP is already reflecting on how its financing systems and processes can better address a global emergency in the future – for example through modification of the trust fund models to enable greater accountability to donors, and potentially embedding 'latent' emergency activities in CSPs to streamline budget modification processes."⁶

⁶ OEV. 2021. Evaluation of WFP's Response to COVID-19 – WFP Evidence Summary 4: Financing. Internal document.

Conclusions

The high quality of the evaluation recommendations of the evaluation on funding WFP's work has resulted in agreement of all of recommendations by management and alignment of the management response. In general, key informants found recommendations relevant and useful, not only those recommendations touching on the bigger organizational issues that include matching funding ambitions, priorities and approaches with WFP's mandate, but also those recommendations on the internal matters.

The quality of the agreed actions varied. Despite good examples, some other actions reflect the need for more concrete strategic direction or concrete actions. Sometimes there is too much emphasis on already ongoing or past actions without highlighting new areas of focus. In those latter cases, the sub-recommendations have become rather a reinforcement of WFP's strategic approaches. In addition, action statements also missed the point in some of the recommendations and did not reflect a full understanding of the intention of the recommendations.

The present review spans across a year of implementation, and many actions are ongoing and are in initial or pilot phases – for example, HR investments, BUSBE operationalization or becoming accountable and transparent in prioritizing resource allocations and monitoring performance. Overall, good progress seems to be being made in spite of the implications of Covid-19. Some recommendations are partially implemented, although they were marked implemented, thus leaving room for further follow-up.

Key informants indicated deviation from agreed departmental responsibilities for recommendations and actions. This applied to the recommendation on doubling efforts on IRM ambitions.

Annexes

Annex 1: Recommendations and Actions

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
<p>Recommendation 1: WFP should take a collaborative approach to developing its next strategic plan that allows the organization to articulate clearly, with one voice, its full mandate and priorities for ending hunger and improving nutrition and to act accordingly.</p>		<p>Agreed</p>		
<p>a) The process of developing the next strategic plan, as well as the next plan itself, should provide direction on the link between what WFP wants to achieve and the funding ambitions, priorities and approaches of the organization.</p>	<p>Programming and Policy Development Department (PD)</p>	<p>The Initial findings of the mid-term review of the Strategic Plan (2017–2021), conducted concurrently with this evaluation, indicate that despite WFP’s overall growth not all aspects of its strategy receive sufficient funding; there is difficulty in mobilizing the multi-year, non-earmarked resources required for resilience building and root cause activities. At the field level, country offices struggle to balance the ambition of the strategic plan – which calls for transformational country strategies that support countries in their journey towards zero hunger – with the feedback they receive regarding donor funding interests.</p>	<p>Not applicable Not stated Open / Implemented*</p> <p>* The Risk and Recommendation Tracking Tool (R2) indicates open system status, while also indicating implemented status</p>	<p>Implemented</p> <p>WFP has engaged in a broad-range consultative process to develop a new Strategic Plan that reflects the links between mandate and funding ambitions, priorities and approaches.</p> <p>While the action has been implemented at the time this review was completed, it had not yet been implemented at the</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
				time when the R2 update said it was.
<p>b) The next strategic plan should:</p> <ul style="list-style-type: none"> • stress the importance of maintaining WFP’s capacity to respond to all types of emergencies and increasing related funding, with objectives for funding preparedness, anticipatory action and response, including in contexts that receive less attention; • elaborate new approaches to working in partnership in protracted crises and for resilience building, including with international financial institutions in middle-income countries, to highlight the operational and funding requirements of WFP’s work at the nexus of humanitarian, peacebuilding, and development; • include a coherent and holistic narrative regarding WFP’s contributions to sustainable development and related funding ambitions that integrate advancements in various programming approaches. 	PD	<p>To prepare its next strategic plan, WFP will engage in a broad consultative process with stakeholders, including donors, host governments and other Member State partners. The plan will reflect the importance of maintaining emergency response capacity and will describe WFP’s role in sustainable development, thus affirming the breadth of its mandate. It will also emphasize partnership strategies that seek to secure adequate funding for the full implementation of the strategic plan. This will include additional support for country offices with the design and implementation of transformative country strategic plans (CSPs) that are structured around the triple nexus of humanitarian, peacebuilding and development activities.</p>	<p>Not applicable Not stated Open / Implemented*</p> <p>* R2 indicates open system status, while also indicating implemented status</p>	<p>Implemented</p> <p>The new Strategic Plan speaks to the strategic directions suggested in the sub-recommendation: emergency response capacity, sustainable development and the humanitarian-development-peacebuilding nexus in relation to funding ambitions.</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
<p>Recommendation 2: Financing WFP's work in changing lives WFP should strengthen the foundations for financing its work in changing lives and for financing national efforts to achieve the Sustainable Development Goals (SDGs). To that end, it should:</p>		<p>Agreed</p>		
<p>a) develop a consolidated plan for and approach to accessing development financing, including clarity on potential sources and requirements, and investigate options for substantially different financing models;</p>	<p>Partnership and Advocacy Department (PA)</p>	<p>WFP can only make long-term progress in its core work on SDGs 2 and 17 by integrating these goals into support for the broader 2030 Agenda and related national development priorities. WFP has designed a tailored development offer that links its value-add to government-led initiatives, targeting root causes and working towards the achievement of a broader range of SDGs. Accompanied by a set of ten development activities that can be drawn upon to support national investments, this portfolio approach will facilitate engagement with governments, international financial institutions and other development partners. To complement this development offer, WFP continues to analyse opportunities for and provide guidance on engaging with international financial institutions and on leveraging alternative financing models for funding WFP operations. These efforts will remain consistent with operational realities and the organization's capacity to deliver its programmes and implement its policies. The departments of PA and PD are working together to demonstrate how programme needs related to development align with the</p>	<p>Not applicable March 2021 Closed</p>	<p>Partially implemented STR is active in preparing and updating tailored development offers and engagement notes. The recommendation refers to a consolidated plan and approach to accessing development financing. Although management talks about a portfolio approach and many quality materials were shared, a consolidated plan was not shared. The recommendation therefore cannot be observed as being fully implemented yet.</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
		development funding opportunities. The Programme and Partnership Support Critical Corporate Initiative (CCI) is facilitating this work.		
b) invest in the organizational capacity needed to position itself better and enhance partnerships with development funders and engage in development forums globally and at the regional and country levels, including through greater investment in policy advice, evidence generation and capacity strengthening; and	PA	Established through extrabudgetary funding in 2019, the Strategic Partnerships Division (STR) provides thought leadership, guidance and support related to development funding opportunities, with a focus on international financial institutions and alignment with national plans. In the future, it will be important to consolidate these gains and to deepen engagement in global development forums. In addition, priority must be given to generating evidence and providing policy guidance while supporting capacity strengthening for WFP and partner staff. WFP will seek to integrate the STR into the programme support and administrative budget to ensure that appropriate resources are available on a sustainable basis for the provision of analysis, guidance and support to country offices and regional bureaux, including capacity support to enable WFP to engage in development dialogue and align its activities with national financing priorities.	Not applicable March 2021 Closed	Partially implemented Established through extrabudgetary funding in 2019, STR has now been regularized within the Programme Support and Administrative (PSA) budget. Given WFP's strategic vision explained in the management response, a clear performance plan could be expected with clear actions and follow-up. In this respect, the implementation of the recommendation cannot be considered implemented yet.
c) clarify its ambition for brokering direct development financing for national partners aligned with WFP Strategic Result 7 and SDG 17.3 and for institutionalizing the approach, including through methods for documenting its contributions to the indirect results of such partnerships,	PA	WFP has defined how to align its development portfolio with national development financing priorities for achieving the SDGs through a set of ten development activities. WFP's institution-specific engagement strategies describe how its engagement with international financial institutions, multilateral development banks and key bilateral donor agencies should improve. Together with	Not applicable March 2021 Closed	Implemented With regard to the brokering function for direct development financing, documenting WFP's contributions to the indirect results of partnerships has been

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
funding this element of its work and tracking forecast and actual funding.		ongoing project design and implementation support provided to selected governments, this demonstrates how WFP's ambition to change lives is being institutionalized and could be funded in order to support work on countries' development priorities while making progress towards the achievement of SDG 2. Thanks to a better understanding of funding models and project cycles, WFP is improving the tracking of forecast and actual funding. Regarding its ambition to broker direct development financing for national partners in line with WFP Strategic Result 7 and SDG 17.3, WFP will focus on how to document its contributions to the indirect results of partnerships.		clarified in the documents received. The actions can be regarded as implemented.
Recommendation 3: Funding diversification WFP should continue to explore fully, implement and invest in strategies for diversifying its sources of funding including by:		Agreed		
a) ensuring full and sustained leadership and governance support for the implementation of the new private sector strategy, including by aligning marketing efforts with detailed management implementation plans and by considering more ambitious targets based on demonstrated performance;	PA	The Private Partnerships and Fundraising Division (PPF) will maximize WFP's investment in growing individual income in 2020, with CCI funding of USD 13.1 million and plans for a further USD 22.1 million CCI investment in 2021. The money will be allocated to achieve the highest long-term return on investment, with continued testing across different channels, including friends' organizations such as WFP USA. In response to the Covid-19 crisis, investment will be pulled forward to maximize returns in 2020. If fundraising activities continue to	Not applicable February 2021 Closed	Implemented Increased funding from the private sector and close monitoring of management implementation plans have supported strengthening WFP's position in raising additional funds.

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
		<p>deliver results that exceed agreed key performance indicator targets, WFP will propose bringing forward investment and delivering more ambitious income targets. Implementation plans developed in the first quarter of 2020 will be reviewed and updated every six months, or more frequently as needed.</p> <p>Quarterly reports will be produced for senior management in addition to monthly performance reports and weekly activity monitoring to ensure results are on track.</p>		
<p>b) developing a strategy and structure and allocating resources for more proactive efforts to access innovative financing; and</p>	<p>PA</p>	<p>An investment case for new innovative financing initiatives to enhance organizational capacity received funding from the Strategic Resource Allocation Committee (SRAC) in early 2020. A cross-functional steering committee has been set up to define WFP's strategy on innovative financing, investigate and prioritize programmatic and thematic areas, assess resource mobilization opportunities and develop and pilot financing mechanisms. The innovative finance initiative is co-led by the departments of Resource Management (RM), PA and PD in full alignment with the programme and partnership support CCI.</p>	<p>Not applicable February 2021 Closed</p>	<p>Implemented</p> <p>Strategic direction and resource allocation are supported by a steering committee and working groups on innovative financing.</p> <p>At the time of closure of the action, priorities, strategic framework and the structure to implement were all in place.</p> <p>The concept of a transformation fund (evolved from the changing lives fund) enabling multilateral co-financing will be presented to the Executive Board for approval in 2022.</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
c) stepping-up engagement with other United Nations organizations to capitalize on opportunities for joint programming and resource mobilization, including through joint applications for humanitarian and development-oriented pooled funding.	PA	Under the programme and partnership support CCI, WFP plans to invest in the scoping and engagement strategy of individual partner United Nations entities, which will facilitate the identification of opportunities and strategies for collaboration in programming and resourcing and reveal likely areas of overlap and complementarity. Support provided to country offices for SDG fund applications has resulted in the successful funding of projects. With the emergence of Covid-19, joint proposals have been submitted to the United Nations Secretary-General's Multi-Partner Trust Fund Office, for example with the United Nations Children's Fund (UNICEF).	Not applicable February 2021 Closed	Implemented A scoping of seven partner United Nations entities, including a cost – benefit analysis of engagement to determine engagement strategies took place as well as an exploration of thematic funding opportunities.
Recommendation 4: Human Resource (HR) investments in critical resource mobilization and communications, marketing and advocacy WFP should increase and sustain organizational investments in critical resource mobilization and communications, marketing and advocacy personnel to maximize its ability to maintain existing funding and secure more diverse, adequate, flexible and predictable funding. To that end it should:		Agreed		
a) develop human resource strategies and funding arrangements for partnerships, reporting,	PA	A full-time staffing coordinator was recently appointed for the PA and the Communications, Advocacy and Marketing Division (CAM); the	Not applicable Not applicable Open	Ongoing Strategic workforce planning for the

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
communications, advocacy and marketing functions at all levels of the organization; and		incumbent is working with the Human Resources Division (HRM) in the development of human resource approaches to resource mobilization, communications, marketing and advocacy functions. There is a commitment to funding such roles as much as possible.		partnership function has been piloted and an implementation plan is currently being implemented. It should be recognized that the staffing coordination capacity of the organization would need more support in order to become fully functional across the entire organization.
b) invest in national staff in partnership functions and specialized staff with expertise in innovative financing, marketing and advocacy, thematic and cross-cutting issues and proposal development.	PA	Along with current tools and training, new analysis and guidance from headquarters on engagement in new partnerships will help to strengthen capacity scale. The departments of PA and PD will work with staffing coordinators to look at how this can contribute to career planning for programme and partnership officers, as well as national officers, and the recruitment of specialized staff when gaps are identified.	Not applicable Not applicable Open	Ongoing Partnership and communication Future International Talent (FIT) pools were created for the first time. They are expected to support the organizational change towards new capacities for partnership-related roles. The FIT pool does not cover national staff; the review has no further information on other investments.

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
<p>Recommendation 5: Tools, products, processes and protocols WFP should strengthen its organizational capacity by investing in the necessary tools, products, processes and protocols for better services related to funding. To that end it should:</p>		<p>Agreed</p>		
<p>a) institute coordination processes and protocols for engaging with donors and for capturing intelligence on donors and opportunities in Salesforce, with clear roles and responsibilities, to ensure a disciplined approach to presenting organizational priorities for funding;</p>	<p>PA</p>	<p>WFP is optimizing its resourcing capacity by adapting its processes and operational norms to evolving needs. It has outlined a high-level draft framework addressing roles and responsibilities in support of a harmonized approach to funding its strategic plan and prioritized needs. WFP will also make every effort to ensure that its corporate tool for donor intelligence and forecasting, Salesforce, is in place along with guidance on its use. This tool will reinforce a systematic approach to corporate resourcing by hosting partner-relevant information from all WFP stakeholders that is available at all levels of the organization in all functional areas. A multidisciplinary WFP high-level steering committee provides oversight and guidance for Salesforce.</p>	<p>Not applicable Not applicable Open</p>	<p>Ongoing At the time of the evaluation in December 2019, a PA–RM joint directive was issued formalizing both new forecasting procedures and Salesforce as WFP’s corporate tool for forecasts and donor intelligence. Salesforce has been reinforced and rolled out, and optimization processes are ongoing for the management and coordination of information.</p>
<p>b) develop communications, advocacy and marketing tools and initiatives based on evidence of programme effectiveness, including more effective communication of the added value of</p>	<p>PA</p>	<p>Investment and capacity will be increased and sustained in areas of advocacy where knowledge, data and evidence should be gathered and used to influence targeted policymakers, decision makers and donors. In addition, thematic products and</p>	<p>Not applicable Not applicable Open</p>	<p>Ongoing Good progress has been made by CAM on founding and adapting the work for communications, advocacy</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
WFP work beyond emergency response;		campaigns will be used to raise awareness of and position WFP among the general public and key stakeholders using evidence to demonstrate its impact. This will be achieved through a joint communications and advocacy strategy and work plan developed by the departments of PA and PD that will define the optimal investment and capacity needed to facilitate fundraising and policy change. Furthermore, there will be a continued focus on WFP branding led by CAM; the work plan in this area will include prioritizing themes, analysing audiences, developing key performance indicators, identifying outreach opportunities and designing strategic outputs such as campaigns and publications.		and marketing tools and initiatives. However, investments in the capacity of CAM have lagged behind.
c) strengthen management oversight of grant compliance requirements by country offices, with support from headquarters, regional bureaux and global offices; and	RM	The need for an enhanced end-to-end grant management process was identified by the RM in 2019 to optimize the transaction and business insight functions and improve the value added by the corporate data currently managed by the Chief Financial Officer. In January 2020, a dedicated workstream on the end-to-end grant management process was launched, supported by the Boston Consulting Group and the divisions of Corporate Planning and Performance (CPP), Corporate Finance and Public Partnerships and Resourcing (PPR) with the objective of simplifying the grant management process to achieve greater efficiency, reduced complexity and clear roles and responsibilities for staff at the country office, regional bureaux and headquarters levels. It is expected that a simplified	Not applicable Not applicable Open	Ongoing It is assumed that country offices have benefited or will benefit through the E-learning Grants Management Life Cycle training that entails simplified grant management processes.

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
		<p>and efficient grants management business process will be rolled out in early 2021 to enhance the ongoing processes. Other ongoing activities include the following:</p> <ul style="list-style-type: none"> • Country offices: Since the implementation of the Integrated Road Map (IRM), all country offices have been encouraged to hold monthly resource management committee meetings to discuss resource matters, including incoming grants and their potential conditions. • Regional bureaux: As part of the first line of defence, the regional bureaux share monthly reports with their respective country offices as part of their oversight activities. These reports include resource analyses at various levels of the country portfolio budget, which almost always highlight grant-specific issues, such as expiring contributions. Many regional bureaux have also established regional resource management committees, which discuss regional analyses and make recommendations for follow-up with country offices and headquarters as necessary. Country offices are expected to respond to any highlighted issues, confirming that they are taking action to ensure the optimal use of all available resources. Grant management reviews will 		

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		<p>continue to be a fixed agenda item for each country office support and oversight mission undertaken by regional budget and programming officer (BPO) teams.</p> <ul style="list-style-type: none"> • Headquarters: The Budget and Programming Division is responsible for ensuring, in collaboration with the PA, that each grant is used in compliance with any donor restrictions. To help country offices adhere to such conditions, the import parity form has been automated to show the conditions to be taken into account when country office BPOs prepare programming requests. This ensures that programming requests are aligned with donor expectations from the outset. Since the implementation of the IRM, several reports have been published on the IRM Analytics portal, which includes a report category dedicated to grant management. Users across the organization can access information on how grants have been registered, including validity periods and availability for advance financing. Annual regional workshops have been held to familiarize staff with various functions within the new framework and to discuss resource management concerns related to budgets, funds, grants and pipeline management. The Budget and 		

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
		Programming Division is establishing a global resource management committee to address resource management matters at the global level. Plans to update all available guidance and manuals to reflect the changes introduced through the IRM are also under way.		
d) maintain high levels of engagement in global humanitarian and development processes and forums to represent WFP contributions and commitments and continue work with donors to advocate adequate, predictable and flexible funding with reasonable reporting and other compliance requirements.	PA	WFP actively participates in humanitarian and development forums in order to contribute to discussions and understand government priorities and expectations. In that context, WFP consistently highlights the importance of adequate, predictable and flexible funding to its ability to respond quickly and appropriately when and where it is most needed. In its ongoing dialogue with partners, WFP also promotes multi-year funding as an important contributor to the sustainability of programmes and operational continuity.	Not applicable Not applicable Open	Ongoing The actions on predictable and flexible fund promotion are guided by earlier-issued documentation. Further evidence is provided on several initiatives to promote flexible and predictable funding as this is ongoing.
Recommendation 6: Redouble efforts on IRM ambitions WFP should redouble efforts to achieve the planning, accountability, transparency and resource management ambitions envisioned in various components of the IRM. To that end, it should:		Agreed		
a) continue the process of aligning CSP planning cycles with United Nations Sustainable Development Cooperation Framework (UNSDCF) processes and supporting the design	PD	WFP is aligning the contents and cycles of second-generation CSPs with UNSDCFs. These CSPs will also be informed by the growing body of WFP evaluation evidence.	Not applicable Not applicable Open	Ongoing WFP is aligning next-generation CSP planning cycles with UNSDCF processes.

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
of next-generation CSPs to ensure that they are coherent, evidence-based and aligned with national development goals and financing priorities, and that they incorporate resource mobilization and partnership considerations;		<p>In response to national SDG targets and gaps identified through the enhanced United Nations Common Country Analysis (CCA), the second generation CSPs will include advancing agency collaboration through joint assessments and joint programming, in particular with the Eother Rome-based agencies and other food security and nutrition stakeholders such as UNICEF.</p> <p>UNSDCF joint workplans will be accompanied by annual funding frameworks that take into account the national SDG financing landscape.</p>		<p>In this process, the HRP is important as well, covering the humanitarian aspects of the humanitarian-development-peacebuilding nexus.</p>
b) identify how the resilience and development targets in CSPs are reflected in global resource mobilization targets, ambitions and communications;	PA	<p>While retaining its emergency response capacity to respond to humanitarian needs, WFP aims gradually to reduce needs by advocating for funding for scaled-up resilience-building activities that safeguard progress made through humanitarian interventions and strengthen national systems and policies to facilitate the eventual handover of its operations to national programmes.</p> <p>The UNSDCF process is an opportunity to underscore what WFP can offer in the development sphere and to ensure that its related activities are included in UNSDCFs and joint work plans.</p> <p>In addition to pooled funds and advocacy efforts under UNSDCFs, WFP is intensifying its outreach with governments, international financial institutions and global funds on areas such as climate change, education and HIV/AIDS as part of its work to change lives.</p>	<p>Not applicable Not applicable Open</p>	<p>Ongoing</p> <p>The UNSDCF process offers WFP the opportunity to focus also on resilience and development joint plans. PA turns out to be the action-implementer, although PD is the action-owner in the management response. Updates on identifying how the resilience and development targets in CSPs are reflected in global resource mobilization targets, ambitions and communications in the respective review reports. PPR is setting up a</p>

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
		<p>CSPs will continue to be reviewed to ensure that proposed programmes of work (which include resilience and development targets) reflect anticipated funding at the country office level. Individual country office needs and cumulative needs inform the efforts of the Partnerships and Advocacy Department to secure resilience and development funding.</p>		<p>“thematic team” to ensure closer alignment with PD on targets and ambitions.</p>
<p>c) continue work on tools and guidance to demonstrate the connection between resources and results by better defining corporate indicators, measuring cross-cutting results (particularly with regard to gender equality and resilience) and minimizing the opaque effects of bundling (or combining) activities;</p>	<p>PD</p>	<p>WFP will build on its Resources to Results (R2R) initiative, which seeks to improve how the organization links its financial resources and its performance results, by including progress against CSP baselines and targets and showing resources and results data side-by-side.</p> <p>The ongoing Corporate Results Framework (CRF) mid-term review will provide additional insights into indicators and guidance needs. These initiatives, along with CSP guidance issued in January 2020, will help minimize the reduction in transparency caused by combining activities.</p>	<p>Not applicable Not applicable Open</p>	<p>Ongoing</p> <p>Within the framework of the development of the new strategy, work is being done, led by the Research, Assessment and Monitoring Division (RAM), on identifying the best options to address activity combining and strengthen R2R reporting at activity and other levels.</p>
<p>d) review the challenges to country office resource management flexibility posed by activity-level earmarking based on lessons learned from first generation CSPs and provide guidance for the next generation of CSPs; and</p>	<p>PA</p>	<p>WFP is engaged in dialogue with donors to demonstrate the efficiencies gained through flexible contributions.</p> <p>WFP will document the challenges posed by earmarking during the ongoing review of lessons learned from CSPs, which will help to inform any adjustments needed in donor engagement.</p>	<p>Not applicable Not applicable Open</p>	<p>Implementation cannot be assessed</p> <p>Progress on activity level earmarking is monitored by PA/PPR as part of its efforts to continue to strive/advocate for flexibility. It should be noted that while PPR is the “coordinator” of</p>

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				Partnership Action Plans (PAPs) in second generation CSPs, PAPs are actually a country office exercise supported in the first instance by regional bureaux and also by headquarters through cross-divisional efforts and being reviewed by all divisions/units including PD. The R2 database does not provide detailed information on action progress.
e) review guidance and practice regarding specialized donor reporting, including related budgeting approaches, and incorporate information in Salesforce to ensure monitoring and reporting costs are included in budgets.	PA	The majority of WFP's donors accept annual country reports for reporting and accountability purposes. Some donors, however, require specialized financial reports in accordance with their own regulatory frameworks. WFP provides these reports as required under its agreements with the donors. WFP issued internal guidelines in 2019 describing a cost recovery mechanism to cover the costs associated with preparing specialized donor financial reports. However, donors also make ad hoc requests to country offices for narrative and financial reports that are not prescribed in their agreements with WFP. Additional resources are needed at the country office level to cover the cost of collecting data and preparing and submitting	Not applicable Not applicable Open	Ongoing The annual country report is always advocated for with donors, although a number of donors still ask for different degrees of specific reporting, which PA/PPR along with country offices – if contributions are locally generated – strive to minimize through negotiation. If specific reporting is required, the additional costs that result

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		<p>these ad hoc reports. WFP is expanding its donor base and engaging in partnerships with non-humanitarian donors. It is hoped that at least some of these new donors will accept reporting through the annual country reports once they become more familiar with WFP, rather than require the use of their own reporting formats. To that end, WFP will continue to familiarize donors with its standard country portfolio structure and reporting capabilities. It will also review existing guidance and if necessary issue new guidance to the effect that country offices should only agree to provide additional ad hoc reporting after checking with the partnership officers that the requests for such reporting are in line with WFP's agreements with donors; a standardized approach has been established to address ad hoc reporting requests, which includes a cost recovery mechanism, an indication of budgetary impact and relevant key information in Salesforce to provide more insights and guidance to country offices.</p>		<p>from such reports are charged to the donor.</p>
<p>Recommendation 7: Effectiveness of corporate resource allocation processes and decisions WFP should improve the effectiveness of its corporate resource allocation processes and decisions in order to facilitate continuous, transparent and timely prioritization to meet its strategic needs. To that end it should:</p>		<p>Agreed</p>		

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
a) invest in the thorough implementation of the Bottom-Up Strategic Budgeting Exercise (BUSBE), which should include consideration of all headquarters and regional bureaux functions and costs, including special accounts and trust funds;	RM	BUSBE is due to start in mid-May under the leadership of the Office of the Executive Director. The Budget and Programming Division will provide support throughout the exercise.	Not applicable Not applicable Open	Ongoing BUSBE has been fully supported and has piloted the budget platform throughout the organization. For the first-time, divisions need to articulate activities explicitly against special accounts and trust funds.
b) develop a mechanism for articulating the relationship between the hierarchy of corporate priorities and resource allocation from all funding sources as part of developing the annual management plan;	RM	The Budget and Programming Division, in its capacity as SRAC Secretariat, is developing prioritization criteria for the allocation of funds to corporate initiatives. The prioritization will inform the development of the annual management plan.	Not applicable February 2021 Closed	Implemented Prioritization processes relating resource allocation and hierarchy of corporate priorities were put in place both for CSPs and investment cases. These are not always adhered to yet. The reverse direction – putting allocation decision before applying the prioritization process still happens, jeopardizing the transparency in the system that is aimed for.
c) provide staff and governance with transparent and timely information on the allocation decisions of the	RM	The SRAC has approved new quantitative and qualitative prioritization criteria for the allocation of multilateral funds to crisis response and resilience and root cause activities. Guidelines on the	Not applicable February 2021 Closed	Partially implemented Good progress on dissemination of information on allocation

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SRAC and the rationale for prioritization;		methodology have been published in team-space and are accessible to relevant divisions at headquarters and in regional bureaux. All notes for the records and minutes of SRAC meetings are available in the same repository.		decision is made and could be further improved through regular organization-wide reporting.
d) continue timely decision making on investment case proposals (as initiated in 2020) to allow adequate time for implementation;	RM	SRAC intends to continue to make decisions on investment case proposals in a timely manner that allows adequate time for implementation.	Not applicable February 2021 Closed	
e) develop a system for tracking and reporting on the use of resources allocated to critical corporate initiatives and other investment cases and ensure that this performance information is used in future funding decisions; and	RM	The Tagetik platform is in place to facilitate monitoring and reporting on all extrabudgetary activities (including CCIs and investment cases). The Budget and Programming Division has developed additional reports that track the budget performance of these initiatives.	Not applicable February 2021 Closed	Partially implemented The Tagetik platform is in place, but full transparency in the system linking budget, performance and expenditures and making these publicly visible remains a challenge for a while.
f) provide the Executive Board with a detailed analysis of the implications of an inflexible, indirect support cost rate, taking into account system-wide discussions on aligning practices, competition and partnership considerations, to facilitate more formal Executive Board feedback on indirect support cost flexibility proposals.	RM	A detailed concept paper has been drafted by the Budget and Programming Division and will inform discussions with the Executive Board.	Not applicable February 2021 Closed	Implemented A concept paper was submitted to the Executive Board in 2020. Member States decided not to change the current methodology to determine indirect support costs.
Recommendation 8: Advance financing mechanism WFP should		Agreed		

Recommendations	Action by	Management response / Actions	Priority Closure date Status*	Assessment of progress
strengthen its advance financing mechanisms so that they ensure predictable and timely resourcing for the full scope of WFP's work, including emergency (preparedness, anticipatory action and response), resilience and development activities. To that end it should:				
a) ensure the availability of internal resources for the start-up of resilience and development activities until additional external funding can be catalysed and sustained, recognizing the longer period required for accessing external financing for development-related work;	RM	For 2020, the SRAC agreed to pilot the early allocation of multilateral funds to resilience and root cause activities. The pilot is based on new criteria jointly developed by the Budget and Programming Division and the PD. It provides a one-off allocation of multilateral funds at the beginning of the year, enabling a long-term impact on activities.	Not applicable February 2021 Closed	Implemented The pilot on the early allocation of internal resources to resilience- and development-related work took place successfully.
b) complete the review of the Immediate Response Account and consider establishing one consolidated and regularly replenished emergency advance financing facility that covers the full scope of WFP's work related to preparedness, anticipatory action and emergency response, as well as the advance financing needs of mandated common services; and	RM	The Budget and Programming Division and the Emergency Operations Division will undertake a joint review of advance financing for preparedness activities. The Budget and Programming Division will also assess the other advance financing mechanisms to ensure that their scope and ceiling are appropriate for evolving operational needs. Regarding the Immediate Response Account, a sustainable replenishment model will be defined in consultation with the leadership group.	Not applicable Not applicable Open	Ongoing The joint directive on the management of the Immediate Response Account is being reviewed and updated by CPP to reflect the post-IRM framework waiting for approval. No other activities were undertaken given the increased workload due to the global pandemic.

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c) develop options for providing advance financing for launching common mandated services.	RM	WFP will conduct a review to assess the need for advance financing for launching common mandated services. Sustainable options will be reviewed and put forward for endorsement by the SRAC.	Not applicable Not applicable Open	Ongoing Being an ongoing activity, based on lessons learned from the Covid-19 response, management wants to review existing funding instruments for corporate/global response.

Annex 2. Abbreviations and Acronyms

BPO	Budget and programming officer
BUSBE	Bottom-Up Strategic Budget Exercise
CAM	Communications, Advocacy and Marketing Division
CCA	Command Country Analysis
CCI	Critical Corporate Initiative
CPP	Corporate Planning and Performance Division'
CPS	Corporate Partnership Strategy
CRF	Corporate Results Framework
CSP	Country Strategic Plans
FIT	Future International Talent
HR	Human Resources
HRM	Human Resources Division
HRP	Humanitarian Response Plan
IRM	Integrated Road Map
PA	Partnerships and Advocacy Department
PAP	Partnership Action Plan
PD	Programme and Policy Development Department
PPF	Private Partnerships and Fundraising Division
PPR	Public Partnerships and Resourcing Division
PSA	Programme Support and Administrative
R2R	Resources to Results
RAM	Research, Assessment and Monitoring Division
RM	Resource Management Department
SRAC	Strategic Resource Allocation Committee
STR	Strategic Partnerships Division
UNSDCF	United Nations Sustainable Development Cooperation Framework

Annex 3. Persons Interviewed

Aldo Spainì	Senior Government Partnership Officer
Andy Lintern,	Sales Force Manager, Public Partnerships and Resourcing Division
Ariam Abraha	Budget and Programming Officer, Corporate Planning and Performance Division, Resource Management Department
Arif Husain	Chief Economist and Director, Research, Assessment and Monitoring Division, Programme and Policy Development Department
Catherine Feeney	Senior Executive Manager, Office of the PA AED
Elyse Inguanti	Partnerships Officer, Private Partnerships and Fundraising Division, Partnerships and Advocacy Department
Frederick Ranitzsch	Special Advisor to the AED PA
Jasmine Jaruphand	Head of Strategic Planning and Coordination, Communications, Advocacy and Marketing Division, Partnerships and Advocacy Department
Matthew Dearborn	Programme Policy Officer, Programme Cycle Unit, Programme and Policy Development Department
Martin Wachs	Consultant Programme Policy, Programme Cycle Unit, Programme and Policy Development Department
Monia Ladjimi,	Budget and Programming Officer, Corporate Planning and Performance Division, Resource Management Department
Nyasha Mtengwa,	Finance Officer, Treasury Branch Service (FINT), Resource Management Department
Piyamon Arayaprayoon	Chief of CPPF Strategic Financing Branch, Corporate Planning and Performance Division, Resource Management Department
Rebecca Ssamba	Senior Budget and Programming Officer and Staffing Coordinator, Corporate Planning and Performance Division, Resource Management Department
Ronald Tranbahuy	Deputy Director, RAMM Field Monitoring Service, Programme and Policy Development Department
Sarah Borchers,	Staffing Coordinator, Partnerships and Advocacy Department
Shannon Howard	Senior Strategic Partnerships Officer, Strategic Partnerships Division, Partnerships and Advocacy Department
Thomas Prior	Project Manager, BUSBE, Resource Management Department
William Affif	Head of Programme, Cycle Management Unit, Programme and Policy Development Department

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