WFP Annual Performance Report 2019

Briefing to the Executive Board

Corporate Planning and Performance Division | 27 May 2020
ABOUT THE 2019 APR
Key improvements

- Builds on lessons and achievements of 2018 APR
- Strikes a balance between more focused reporting and the request for further performance details
- Reports against only one results framework
- Provides in-depth analyses on financial performance – a new area introduced in the 2017 APR
- Increased focus on measuring efficiency gains
- Revamped communication strategy including the release of thematic reports
Reflects the Management Plan

The APR informs WFP’s achievements against plans as articulated in the WFP MP (2019-2021)

- Overall narrative embeds explanation and analysis on needs and their dynamic nature/evolution throughout the year as represented in the MP
- Reports on expenditures against:
  - Operational requirements (presented to the EB in MP as of November 2018)
  - Latest annual approved version of the needs-based plan as of December 2019
- Reports by focus area and region
- Measures performance through KPIs and five management results pillars
Structure of the Report

01 Introduction
- Global context
- Global commitments
- UN development system reform

02 Financial Resources and Funding
- Overview of financial position
- Flexible funding trends and opportunities
- Financial strategy and improvements
- Cost per ration analysis

03 Programme Performance
- WFP’s reach and coverage
- WFP’s response
- Highlights of key programme areas
- Programme results against SDG 2 and 17

04 Management Performance
- Overall achievement of management performance standards
- Management Review of Significant Risk and Control Issues
- Evaluation findings

05 Going Forward
- Impacts of COVID-19 and WFP’s response
- WFP’s priorities in action
INTRODUCTION
INTRODUCTION

State of food insecurity

135M people in 55 countries

16% of the world's population were in crisis conditions or worse

compared to 113M people in 53 countries in 2018

conflict climate change emergencies manifested in

18 emergencies

highest ever in 60 years (compared to 16 emergencies in 2018)

requiring a corporate or regional emergency response
Implications for WFP

1. Potential funding reduction from donors as they focus on national response

2. Challenges to WFP supply chain being able to reach beneficiaries

3. Life-saving programmes remain a priority at the cost of development programmes

265M people in low-and middle-income countries under severe threat

~x2 number reported in the Global Report on Food Crises 2020 (135M)

unless swift action is taken to tackle COVID-19
UN Development System Reform

- Business Operations Strategy
  - Common back offices for all UNCTs by 2021
  - 50% of WFP’s country offices are already part of an approved Business Operations Strategy

- Common premises
  - Seeks to achieve 50% common premises by 2021
  - In countries where WFP operates, some 25% of its facilities are currently in common premises

- Disaster Risk Reduction
  - 71% of country offices that responded to WFP’s QCPR survey reported providing support to host government in formulating or updated their DRR/M strategy
INTRODUCTION: Q&A
FINANCIAL RESOURCES AND FUNDING
Needs grow and funding gap widens to over 4 billion

<table>
<thead>
<tr>
<th>TOTAL NEEDS</th>
<th>CONTRIBUTION REVENUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD 12.1 billion</td>
<td>USD 8.0 billion</td>
</tr>
</tbody>
</table>

- Record level contributions of USD 8 billion compared to USD 7.2 billion in 2018
- Upsurge reflects donors’ acknowledgement of the increasing need for assistance
- USD 4.1 billion funding gap compared to USD 2.8 billion in 2018 as rising food insecurity outstripped contributions
Top 5 donors by contributions

- 76% of total contributions came from the top 5 donors
- USD 3.4 billion contributed by the USA represented 42% of all contributions in 2019
- WFP heavily relies on a limited pool of donors, in line with previous years
- Poses a strategic risk that may lead to operational constraints during times of contribution volatility

- United States of America: 42%
- Germany: 11%
- United Kingdom: 9%
- European Commission: 9%
- Saudi Arabia: 5%

83 donors
L3 & L2 emergencies account for 2/3 of contribution revenue

More than 35% of contribution revenue was earmarked to L3 operations in South Sudan, Syria and Yemen

L3 emergencies were adequately funded, with the majority receiving over 90% of requirements from available contributions

Yemen remained the largest operation, registering an increase of 41% in contributions over 2018
10 countries account for 65% of total direct expenditures

Yemen amounts to 20% of total expenditures in 2019

All countries in the top 10 received an increase in expenditures compared with 2018

Largest increases in expenditures were noted in Yemen, Syria and Ethiopia
### Direct expenditures by Strategic Result

<table>
<thead>
<tr>
<th>Strategic Result</th>
<th>2019 Earmarked confirmed contributions</th>
<th>Direct expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>SR 01</td>
<td>$4,799</td>
<td>$4,894</td>
</tr>
<tr>
<td>SR 02</td>
<td>$412</td>
<td>$392</td>
</tr>
<tr>
<td>SR 03</td>
<td>$115</td>
<td>$128</td>
</tr>
<tr>
<td>SR 04</td>
<td>$156</td>
<td>$157</td>
</tr>
<tr>
<td>SR 05</td>
<td>$80</td>
<td>$54</td>
</tr>
<tr>
<td>SR 06</td>
<td>$1</td>
<td>$0</td>
</tr>
<tr>
<td>SR 07</td>
<td>$672</td>
<td>$958</td>
</tr>
</tbody>
</table>

**USD millions**

- **SR 01** accounted for 78% of 2019 earmarked funds showing a clear donor preference for directing funds towards this SR.
- **SR 02** received a mere 6% of earmarked funds.
- **SR 06 and 07** operated under limited resource environments.
- Lack of flexible funding makes it difficult for country offices to plan for multi-year and long-term engagement.
A more rigorous approach to measuring efficiency gains

- The Global Commodity Management Facility enabled a 73% lead-time gain, with 1.9 million metric tonnes of food transferred to 45 country offices in an average of 32 days as compared to 120 days needed under “conventional” procurement.

- Spent on average 6.6% of transfer value on transfer costs, lower than in 2018, yielding cost savings of USD 0.9 million.

- In South Sudan, reduced supply chain costs by more than USD 400 per metric ton of food prepositioned, saving USD 100 million.

- Through QUANTUM, decreased the time required for processing payroll activities by 42% and generated time savings of 5 full-time equivalents.
People assisted nears **100 million**

- **97.1M** beneficiaries reached through food and CBTs
- **4.2M mt** food provided
- **2.1B** transferred (USD) through CBT & commodity vouchers
- **610M** invested in capacity strengthening/service delivery activities
## Achievements against output targets

<table>
<thead>
<tr>
<th>Category</th>
<th>2019 Target</th>
<th>2019 Actual</th>
<th>% Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total quantity of Food Provided (MT) to targeted beneficiaries</strong></td>
<td>5.6M</td>
<td>4.2M</td>
<td>75%</td>
</tr>
<tr>
<td><strong>Total amount of Value Transferred (USD) through CBTs and commodity vouchers</strong></td>
<td>3.3B</td>
<td>2.1B</td>
<td>65%</td>
</tr>
<tr>
<td><strong>Total value of Capacity Strengthening transfers (USD)</strong></td>
<td>425M</td>
<td>262M</td>
<td>62%</td>
</tr>
<tr>
<td><strong>Percentage of UNHAS passengers served against number requested</strong></td>
<td>95%</td>
<td>92%</td>
<td>97%</td>
</tr>
<tr>
<td><strong>Total number of beneficiaries targeted through WFP food and CBTs</strong></td>
<td>78.8M</td>
<td>97.1M</td>
<td>123%</td>
</tr>
</tbody>
</table>
People assisted through operations

- IDPs: 15.5M
- Refugees: 10.6M
- Residents: 68.1M
- Returnees: 2.9M

97.1M beneficiaries reached through food and CBTs

- Men: 30%
- Women: 24%
- Girls: 30%
- Boys: 16%
Key results per thematic area

<table>
<thead>
<tr>
<th>Thematic Area</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCHOOL FEEDING</td>
<td>17.3M</td>
<td>16.4M</td>
</tr>
<tr>
<td>NUTRITION</td>
<td>17.2M</td>
<td>15.8M</td>
</tr>
<tr>
<td>ASSET CREATION</td>
<td>9.6M</td>
<td>10M</td>
</tr>
<tr>
<td>FOOD</td>
<td>4.2mt</td>
<td>3.9mt</td>
</tr>
<tr>
<td>CASH-BASED TRANSFERS</td>
<td>USD 2.1B</td>
<td>USD 1.8B</td>
</tr>
<tr>
<td>PEOPLE REACHED</td>
<td>97.1M</td>
<td>86.7M</td>
</tr>
</tbody>
</table>
Focus on Yemen

In early 2019, 80% of the population – 24 million people – were in need of humanitarian assistance or protection.

WFP launched its fastest-ever scale-up of food and nutrition assistance while overcoming complex security, access and supply constraints. This involved doubling food distributions to the worst-hit areas where the combination of conflict and economic collapse reduced nearly 240,000 people to famine-like conditions.

1.4 million mt of food provided

268 million USD in cash or vouchers transferred

41 thousand mt of specialized nutritious foods provided

14.1 million food insecure people reached in all areas of the country
Focus on South Sudan

By the end of 2019, continued insecurity and extreme poverty in South Sudan forced nearly 13 million people to rely on humanitarian assistance for survival.

The situation was exacerbated by flooding that devastated large parts of the country during the second half of the year, particularly in former Jonglei and Upper Nile States.

The floods affected close to 1 million people, destroyed an estimated 73,000 mt of cereal and caused significant livestock losses.
Programme performance by **Strategic Objective**

<table>
<thead>
<tr>
<th>STRATEGIC OBJECTIVE</th>
<th>PERFORMANCE RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>END HUNGER BY PROTECTING ACCESS TO FOOD</td>
<td><img src="#" alt="Green" /> <img src="#" alt="Green" /></td>
</tr>
<tr>
<td>IMPROVE NUTRITION</td>
<td><img src="#" alt="Yellow" /> <img src="#" alt="Green" /></td>
</tr>
<tr>
<td>ACHIEVE FOOD SECURITY</td>
<td><img src="#" alt="Yellow" /> <img src="#" alt="Yellow" /></td>
</tr>
<tr>
<td>SUPPORT SDG IMPLEMENTATION</td>
<td><img src="#" alt="Gray" /> <img src="#" alt="Green" /></td>
</tr>
<tr>
<td>PARTNER FOR SDG RESULTS</td>
<td><img src="#" alt="Gray" /> <img src="#" alt="Green" /></td>
</tr>
</tbody>
</table>

- Four out of five Strategic Objectives met or were on track to meet their respective targets.
- Strategic Objective 1 – everyone has access to food – remained consistent in performance.
- Methodology for assessing programme performance changed in 2019 to align with other corporate reporting initiatives.
PROGRAMME PERFORMANCE: Q&A
MANAGEMENT PERFORMANCE
Three corporate Category I KPIs

CSP Implementation
Measures the proportion of outcome and output indicators for which activities have been implemented vs achieved

Emergency Preparedness and Response
Assesses using five standards of qualitative emergency response and preparedness measurements

Management Performance Standards
Indicates performance across all functional areas e.g. supply chain, HR, security, IT, finance, etc.
KPI 1: Overall progress of CSP implementation

- Country offices performed well in terms of the average number of output and outcome indicators for which there is implementation.

- Country offices also had good results in the average number of output and outcome indicators in terms of performance.

- The overall value of output indicators achieved or on track is low compared to outcome indicators achieved or on track, due to longer-term outcomes being more likely to retain an “on track” rating over the course of a five-year CSP.
KPI 2: Effective emergency preparedness and response

- Measures WFP's performance against five emergency preparedness and response standards
- In terms of preparedness, 95% of country offices reported using the EPRP implemented by WFP
- At the end of 2019, 77% of Minimum Preparedness Actions were implemented, closely reaching the annual target and an improvement from the 63% reported in 2018
- Concepts of Operations, which outline WFP's operational analysis and priorities, were developed within the first four days of the activation of emergency responses
KPI 3: Overall achievement of management standards

- Demonstrates how WFP manages human, physical and financial resources to facilitate implementation of CSP activities
- Medium to high achievement on most component indicators
- Management and Security observe reduction to prior year performance
- Human Resources remains an area for opportunity
- Resource mobilization, communications and reporting had the most significant improvement since 2018
WFP senior management priorities Category II KPIs

UN system and coordination related performance indicators

- Percentage of achievement of QCPR commitments
- Percentage of UN SWAP 2.0 indicator targets achieved
- Percentage of cluster user surveys that meet the satisfaction target

- Reduction in achievement in QCPR reflects the changes being made to instruments introduced in 2019 and still being rolled out

- Cluster survey satisfaction was high for all clusters in 2019
WFP senior management priorities **Category II KPIs**

- **Executive thematic priorities**
  - Percentage of employees completing their PSEA training
  - Percentage of country offices with a complaint & feedback mechanism in place
  - Percentage of WFP cash beneficiaries supported digitally

### 2018 value
- 2018 value
- Target
- 2019 value

- Substantial progress made in the percentage of WFP cash beneficiaries supported digitally and completion of the prevention of sexual abuse and exploitation training by employees.

- Decline in the percentage of country offices with a functioning complaint and feedback mechanism (CFM) was due to a greater number of participating country offices compared to 2018 and a change in indicator definition from existence of CFMs to existence of “functioning CFMs”.
Six centrally managed evaluations presented to EB

- Update of WFP’s Safety Nets Policy
- People Strategy
- Strategic evaluation of WFP’s capacity to respond to emergencies
- Inter-agency humanitarian response to the drought in Ethiopia
- Evaluation on WFP’s emergency response in northern Nigeria
- Synthesis of evidence from eight country portfolio evaluations in Africa
MANAGEMENT PERFORMANCE: Q&A
Impacts of COVID-19 pandemic and WFP response

Global response plan
- Objective 1: Sustain WFP operations
- Objective 2: Enable the global health and humanitarian response
- Objective 3: Track impacts and inform decision-making

Common services plan
- Enables health partners to access critical medial supplies
- Ensures those furthest behind continue to receive assistance
- Provides duty of care for WFP staff and the broader humanitarian community

Medium-term response
- Focus on four areas of intervention: national social protection systems; national food systems; national health systems; and national education and school-based systems

Inter-agency collaboration
- Collaboration with WHO to establish and implement a global strategy to ensure access to critical and life-saving supplies
- Global Logistics Cluster collaborating with governments to optimize the use of reparation flights for transport of humanitarian cargo
WFP’s six corporate priorities to guide the way forward

- Leadership in emergencies
- Programme excellence
- Partnership and funding for zero hunger
- Simplification and efficiencies
- Digital transformation
- Strategy, governance and people issues
Thank You