

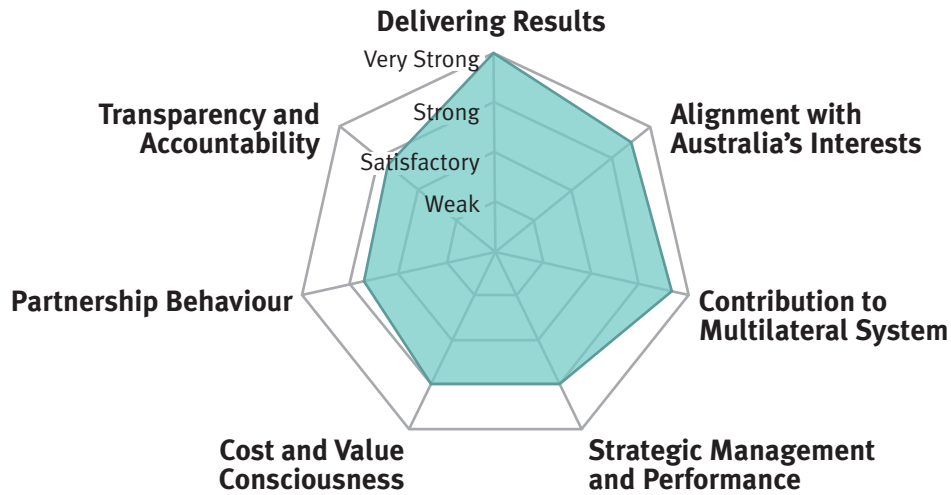


Australian Multilateral Assessment March 2012

# World Food Programme (WFP)



## OVERVIEW OF ORGANISATION RATINGS



## ORGANISATION OVERVIEW

The United Nations World Food Programme (WFP) is the world's largest humanitarian organisation fighting hunger. WFP's main activities are: providing emergency food assistance, logistics and communications; providing nutritional supplements to vulnerable groups during humanitarian crises; supporting the re-establishment of livelihoods and food security in communities during recovery and transition periods; prepositioning humanitarian food reserves to prepare for future emergencies; and capacity building initiatives to assist governments better manage food and nutritional security as well as boost national preparedness and response mechanisms.

Australia provided WFP with \$115.4 million in 2010–11, comprising \$35.0 million in voluntary core contributions and \$80.4 million in non-core funding.\* In 2011, this

\* Figures presented in this online report differ slightly from those published in the full Australian Multilateral Assessment report and organisational summary contained therein. This is due to revised information becoming available following the publication of the hard copy of the Australian Multilateral Assessment report in March 2012.

made Australia WFP's seventh largest donor. In 2009 Australia signed a four-year (2009–13) Strategic Partnership Agreement with WFP, with guaranteed funding of at least \$140 million to support WFP's activities and school feeding programs.

**RESULTS AND RELEVANCE**

**1. Delivering results on poverty and sustainable development in line with mandate**

**VERY STRONG**

WFP performs very effectively in its core role of providing food assistance on a uniquely large scale during humanitarian emergencies and post-emergency recovery, including in dangerous environments. Its 2010 performance report states that it provided food assistance for 109.2 million beneficiaries in 75 countries that year.

In responding to humanitarian crises and providing development support in transitional contexts, WFP is highly effective in targeting its work toward the greatest or most urgent food assistance needs, although it necessarily does so within occasional constraints represented by donor priorities.

WFP delivers large-scale results meeting humanitarian needs, and in some cases development needs as well. Its global reach is unmatched and it has demonstrated capacity to deliver life-saving assistance in the most difficult circumstances.

In addition to the provision of emergency food assistance, and consistent with its mandate, WFP also implements food assistance programs to aid in economic and social development, concentrating its efforts and resources on the most vulnerable people and countries.

While WFP was found to be highly effective in most countries, Australia has not continued bilateral program support with WFP in Indonesia due to concerns about its effectiveness.

The results which WFP report are verified through performance reports which draw extensively on both external and internal evaluations.

WFP's annual performance reports contain clear, extensive reporting of results against its five strategic objectives and its 25 subsidiary outcome indicators as well as aggregate development results attributable to WFP.

**a) Demonstrates development or humanitarian results consistent with mandate**

**VERY STRONG**

WFP delivers large-scale results meeting humanitarian needs, and in some cases development needs as well. Its global reach is unmatched and it has demonstrated capacity to deliver lifesaving assistance in the most difficult circumstances.

The scale of WFP operations is vast. According to WFP's 2010 Performance Report it provided food assistance to 109.2 million beneficiaries in 75 countries. For half of these beneficiaries this food assistance was lifesaving. WFP's Annual Performance Reports contain extensive reporting of results against its five strategic objectives and the

25 subsidiary outcome indicators. The results which WFP report are verified through performance reports which draw extensively on both external and internal evaluations.

In addition to the provision of emergency food assistance, and consistent with its mandate, WFP also implements food assistance programs to aid in economic and social development, concentrating its efforts and resources on the most vulnerable people and countries.

WFP contributes to improved food security through a range of innovative programs such as the Purchase for Progress (P4P) program that connects farmers to markets. Since its launch in 2008, the program has assisted over 800 000 farmers to access markets, provided training to 50 000 people and contracted 150 000 metric tons of food for local procurement.

Australian overseas missions reported mixed results in their working relationships with WFP. Australia's overseas missions in Burma and Nepal reported positively on the strong in-country leadership of WFP and the positive impact that the school feeding and work for food programs have had on poverty reduction. The Australian overseas mission in Indonesia, however, has not continued bilateral program support with WFP due to concerns about its effectiveness.

<b>b) Plays critical role in improving aid effectiveness through results monitoring</b>	<b>VERY STRONG</b>
---	--------------------

WFP monitors and reports on results from its activities against the five strategic goals of the 2008–13 strategic plan. The compilations of results from its programs are extensive, detailed and clearly presented.

WFP's system of monitoring and evaluation does have some limitations, although often those limitations result from of challenging environments of conflict or state fragility. WFP, however, appears to be committed to continuous improvement of the systems themselves and the quality of implementation.

WFP ensures that monitoring and evaluation systems are widely used by staff: it has developed guidelines with 14 modules providing step-by-step advice on monitoring and evaluation design, implementation and evaluation. WFP has also demonstrated transparency by extending invitations to donors, including Australia, to participate in monitoring and evaluation visits of its operations.

WFP's Office of Evaluation received an increase in resources of US\$760 000, taking the total resources to US\$9.6 million for their 2010–11 workplan. Under this workplan 18 evaluations are planned (including four strategic evaluations) to support WFP's plans of transition from a food aid to a food assistance agency. Through this process of using evaluation to guide the future direction of the agency, WFP demonstrates how it uses results monitoring to improve aid effectiveness.

In 2011, WFP also refined the corporate Strategic Results Framework, the set of indicators WFP uses to measure results in the *WFP Strategic Plan 2008–2013*. The most important changes were the redefinition of outcomes to conform to global best practices, and the identification of improved indicators for nutrition, HIV and capacity development.

WFP’s system of monitoring and evaluation does have some limitations, although often because of challenging environments of conflict or state fragility. In 2011, WFP committed to the implementation of a corporate monitoring and evaluation tool—the Country Office Monitoring and Evaluation Tool (COMET)—that aims to standardise the management and use of global results data. COMET is used by WFP program officers to design, plan, monitor, evaluate and report on the performance of their operations from the project’s inception and throughout its lifecycle. Commencement of the COMET rollout to field offices is planned for the end of 2012.

**c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging**

**VERY STRONG**

Given its humanitarian mandate, WFP consistently targets its resources to the poorest countries and the most vulnerable groups within these countries. In 2010, WFP reported that 94 per cent of its development resources were allocated to the poorest countries, exceeding the target of 90 per cent that was set by the executive board.

In responding to humanitarian crises, WFP is highly effective in targeting its work on where needs for food assistance are most urgent or greatest, although it necessarily does so within occasional constraints represented by donor priorities.

WFP has developed effective tools and systems to target groups and individuals that are most vulnerable to food insecurity and hunger such as the vulnerability analysis and mapping tool and emergency needs assessments. WFP has demonstrated a commitment to continuous improvement of these processes through regular internal and external reviews and staff surveys.

WFP has sophisticated systems and tools for assessing beneficiary needs under its Vulnerability Assessment and Mapping portfolio, including Comprehensive Food Security and Vulnerability Analysis and Emergency Food Security Assessment. Guidance covers primary data collection, including interviews, questionnaires, household surveys and participatory tools. The extent to which these tools can be applied, including the involvement of beneficiaries, depends on time available, access, security and the capacity of partners.

WFP has a Food Security Monitoring System to track the status of affected populations—particularly important for forewarning of need and when ration adjustments are made. WFP monitors use the latest technology such as phone/palmtop applications. Recent evaluations have involved surveys carried out in pupils’ homes to collect qualitative and quantitative data.

All of these tools emphasise the collection and analysis of data, in order to calibrate delivery or measure impact. They do not emphasise beneficiary voice or accountability to beneficiaries.

<b>2. Alignment with Australia’s aid priorities and national interests</b>	<b>VERY STRONG</b>
--	--------------------

WFP’s mandate corresponds to the Australian aid program’s strategic objectives of saving lives; reducing poverty; and providing humanitarian and disaster response. Australia and WFP are both committed to the alleviation of human suffering in disasters and emergencies and protracted crises. In particular, Australia recognises WFP’s dual mandate to save lives in emergency situations and help build capacity to assist in preventing hunger in the future. WFP is a vital partner of Australia in providing food assistance and contributing towards food security in a range of contexts including emergency, relief and recovery contexts.

WFP has generally shown flexibility and responsiveness to reasonable requests from Australia, as an institution and at the country-level. It has a clear, effective focus on gender equality throughout its core work, including the routine collection of sex-disaggregated data. Evaluations have found that WFP’s focus on women and girls has given them visibility as beneficiaries and contributors to household food security and that women’s access to food has increased considerably as a result of WFP making women the holders of food entitlements.

WFP is doing valuable work on aspects of climate change relevant to its mandate. It is working to improve the accuracy of the prediction of climate change effects and vulnerability mapping with which it contributes to emergency preparedness and response.

Most of WFP’s operations are implemented in fragile states. Its methods are generally effective in handling the special conditions of work in these states.

<b>a) Allocates resources and delivers results in support of, and responsive to, Australia’s development objectives</b>	<b>STRONG</b>
---	---------------

Australia has a long history of helping people affected by humanitarian crises. As such, the Australian Government has committed to increase budget allocations to humanitarian assistance. Australia has a core policy outcome to deliver appropriate and effective humanitarian action in developing countries and considers this as critical to achieving the Millennium Development Goals (MDGs).

Australia has identified WFP as a key humanitarian partner and provides support in accordance with its objectives of assisting countries reduce poverty and achieve MDG 1: Eradicate Extreme Poverty and Hunger. WFP School Feeding Programs also contribute towards MDG 2: Achieve Universal Primary Education and MDG 3: Promote Gender Equality and Empower Women, closely aligning with Australia’s education aid and gender equality priorities.

WFP is a vital partner for Australia in addressing humanitarian food crises and broader food security challenges. WFP has generally shown flexibility and responsiveness with reasonable requests from Australia, as an institution and at country-level.

Australia strongly supports WFP’s policy of maximising food procurement in hunger-affected countries and regions, which assists local agricultural development and minimises disruption to normal commercial trade.

<b>b) Effectively targets development concerns and promotes issues consistent with Australian priorities</b>	<b>VERY STRONG</b>
--	--------------------

WFP’s mandate and objectives have a high degree of alignment with the Australian aid program’s objectives, at both global and regional-levels. WFP makes a significant contribution to the strategic goals of saving lives and responding to disasters and humanitarian crises. WFP also supports the Australian aid program’s humanitarian objective outlined in the Humanitarian Action Policy: to ‘save lives, alleviate suffering and enhance human dignity during and in the aftermath of conflict, natural disasters and other humanitarian crises, as well as to strengthen preparedness for the occurrence of such situations’.

WFP’s role includes: responding rapidly with front-line emergency food aid following natural disasters, conflicts and in insecure environments; assisting in the continuum from emergency relief to development by giving priority to supporting disaster prevention, preparedness and mitigation and post-disaster rehabilitation activities; and providing food assistance to aid in economic and social development, concentrating its efforts and resources on the neediest people through food safety nets such as school feeding and productive asset creation. This also includes providing transitional support to help re-establish agricultural livelihoods and restore pre-crisis markets in food, seeds and agricultural supplies. In this latter role, and through its programs improving the nutrition of mothers and children, it contributes to sustainable economic development.

WFP headquarters and Australia have developed a strong partnership over recent years. Feedback from Australian overseas missions suggests WFP is generally a responsive and considered partner at a country-level.

<b>c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities</b>	<b>VERY STRONG</b>
---	--------------------

WFP has a clear and effective focus on gender equality throughout its core work, and is doing valuable work on aspects of climate change relevant to its mandate. The collection of sex disaggregated data is routine for WFP and it promotes the protection of its target population (and staff members) and seeks to prevent violence against women, girls and children in its operations.

In complex emergencies, WFP seeks to reduce the burden on women and girls in camps and to improve their safety. For instance, working closely with NGOs and other partners, WFP has implemented a pilot program for safe access to firewood and alternative energy that helps reduce beneficiaries’ negative coping mechanisms and their exposure to protection risks in the process of collecting firewood.

Evaluations have found that WFP’s focus on women and girls has given them visibility as beneficiaries and contributors to household food security; that women’s access to food has increased considerably as a result of WFP making women the holders of food entitlements; that girls’ access to education and retention rates have been enhanced by

WFP's use of extra rations to encourage parents to send girls to school; and that women's access to training has been improved through WFP's food-for-training schemes.

WFP's main contribution to climate change adaptation is to help deal with the increasing scale of weather related natural disasters. It is working to improve the accuracy of the prediction of climate change effects and vulnerability analysis and mapping with which it contributes to emergency preparedness and response.

WFP incorporates disaster risk reduction into its programs, including food-for-work and cash-for-work programs, often in conjunction with other agencies such as the United Nations Food and Agriculture Organization (FAO). This worked well, for example, in Haiti after the January 2010 earthquake.

WFP states that it integrates environmentally sound practices in its operations through:

- > design of the food basket, including reducing the need for cooking fuel
- > phasing out as rapidly as possible the use of potentially hazardous substances, and
- > reviewing the potential environmental impact of its infrastructure development.

WFP also states that within the organisation it is focused on reducing energy consumption. As the operator of a large fleet of motor vehicles, it has a policy to replace all units over five years old; is piloting hybrid vehicles in city areas; trains all its drivers with the aim of decreasing fuel consumption and has included sustainability criteria in its procurement.

On disability inclusion, WFP operational guidelines identify disabled people as a vulnerable group to be assisted, and whose needs should be considered, to the extent possible, in planning and implementing activities and distributions.

<b>d) Performs effectively in fragile states</b>	<b>STRONG</b>
--	---------------

Most of WFP's operations are implemented in fragile states. Its methods are generally effective in handling the special conditions of work in them. Globally, WFP has made a firm commitment to stay engaged in fragile states, even when circumstances are very challenging. This is considered one of WFP's key strengths.

Examples of successful operations in fragile states include operations in South Sudan, in Nepal at the time of the 2008 elections, and in Haiti after the January 2010 earthquake. During WFP's initial response to the Horn of Africa drought, and specifically in Somalia, it could have done better to rapidly and responsively communicate risk management strategies to donors. WFP has since demonstrated efforts to enhance communication by regularly sharing information to ensure donors are kept abreast of operational strategies and risks. For example, during the height of the Horn of Africa crisis, WFP held regular conferences in Nairobi to discuss the situation in Somalia which Australia and other key partners regularly attended. Donor briefings were also held at Nairobi and Rome levels and regular situational reports for donors were introduced. WFP continues to meet regularly with donors at all levels and releases regular Horn of Africa and Somalia situation reports.

<b>3. Contribution to the wider multilateral development system</b>	<b>VERY STRONG</b>
---	--------------------

WFP makes unique and valuable contributions to the international humanitarian system, especially through its large-scale provision of logistics, telecommunications and emergency food assistance. WFP leads the telecommunications and logistics clusters in humanitarian emergencies, coordinating other UN agencies, international organisations and non-government organisations (NGOs), and in some cases offering them use of its facilities. It thus provides the ‘logistical backbone’ for international humanitarian responses to large-scale crises.

WFP’s logistics capacity is made available to support a range of United Nations (UN) agencies, humanitarian organisations and NGOs in the field and plays a critical role in humanitarian response efforts. WFP is responsible for the administration of the United Nations Humanitarian Response Depots (UNHRD). WFP stockpiles rapid response equipment and survival items and organises emergency shipments as well as technical assistance operations, maintaining a 365-day 24-hour duty service. WFP is an active proponent of interagency preparedness through its role as the Co-Chair (together with UNICEF) of the interagency body dealing with preparedness and early warning issues. WFP also co-leads the Food Security Cluster together with FAO, and currently chairs the UN Standing Committee on Nutrition. WFP has introduced a range of program innovations, such as pilot programs for cash and voucher transfer programs. Preliminary feedback from stakeholders has been positive with preliminary evidence showing good outcomes.

<b>a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts</b>	<b>VERY STRONG</b>
---	--------------------

WFP leads the United Nations logistics and telecommunications clusters in humanitarian emergencies, coordinating other agencies and NGOs, and in some cases providing them with use of its facilities. WFP’s role in these clusters is relied upon by a wide range of organisations responding to humanitarian emergencies.

Since the first cluster activation during the Pakistan earthquake response in 2005, the logistics cluster has effectively supported the response for over 30 emergency operations worldwide. Together with FAO, WFP also leads the food security cluster to improve the coordination of food security responses in humanitarian crises.

WFP’s logistics capacity is made available to support a range of United Nations agencies and humanitarian organisations in the field. Users include the Food and Agriculture Organization, the Office for the Coordination of Humanitarian Affairs, the United Nations High Commissioner for Refugees, the United Nations Children’s Fund, the United Nations Development Programme, World Health Organization, governments and a range of NGOs including Islamic Relief and Save the Children.

In addition, WFP operates the United Nations Humanitarian Air Service, which provides a critical service for the humanitarian community in countries such as Afghanistan, Chad, Democratic Republic of Congo, Niger and Sudan.



WFP is the custodian of the United Nations Humanitarian Response Depot Network (UNHRD). UNHRD works with 42 humanitarian partners to facilitate emergency preparedness and response; enhance pre-positioning of rapid response equipment and relief items; and provide the most efficient supply chain solutions, maintaining a 365-day 24-hour duty service. There are currently Humanitarian Response Depots in Brindisi (Italy) with four additional hubs in strategic locations around world: Panama City (Panama), Accra (Ghana), Dubai City (UAE) and Subang (Malaysia).

WFP is also a member of the United Nations Standing Committee on Nutrition (SCN), of which it is currently serving as the chair. Under WFP’s leadership, the SCN is currently undergoing a reform process to support effective UN coordination on nutrition, policies, technical guidance, and standards at the global-level.

<b>b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise</b>	<b>VERY STRONG</b>
--	--------------------

WFP is often the first organisation to respond to humanitarian emergencies, and its experience and specialist knowledge is widely used by a broad range of humanitarian organisations and other partners such as national and local governments.

WFP plays a vital role in developing guidelines that assist humanitarian organisations understand hunger and vulnerability and develop appropriate responses. These include the *Emergency Food Security Analysis Handbook* and the *Comprehensive Food Security and Vulnerability Analysis Guidelines*.

WFP and other humanitarian organisations use these guidelines to analyse food insecurity and vulnerability, assess needs and propose the most appropriate types and scale of interventions.

Through WFP’s position as Co-Chair (with UNICEF) of the Inter-Agency Standing Committee Sub Working Group on Preparedness, WFP has been active in development of emergency related norms (for example, Inter-Agency Contingency Planning Guidance and Inter-Agency Simulation Guidance) and, importantly, adaptation of these norms for use by national and local governments so that they can self manage disasters.

<b>c) Fills a policy or knowledge gap or develops innovative approaches</b>	<b>STRONG</b>
---	---------------

WFP makes distinctive, valuable contributions through gathering information in the field about the incidence and resolution of food emergencies. WFP has introduced a range of program innovations, and initial feedback from stakeholders has been positive with preliminary evidence showing good outcomes.

WFP has undertaken innovative initiatives, such as:

- > pilot programs for cash and voucher transfer programs
- > the Purchase for Progress (P4P) pilot program for assisting local smallholder farmers to become capable of bidding for supply contracts—accompanied by intense monitoring and evaluation to test the model and its scalability

- > working with several governments to help improve their capacity to take over school feeding programs and make them wholly national programs, and
- > development of a dedicated emergency management simulation capacity that aims to enhance the coherence of responses.

The 2010 Evaluation Report considered that these and other innovations introduced by WFP have the potential to not only improve the efficiency of operations, but also to create a broader economic effect and support private markets.

## ORGANISATIONAL BEHAVIOUR

### 4. Strategic management and performance

**STRONG**

WFP's 36-member executive board represents traditional and emerging donors as well as recipient countries, and participation in it is effective. Decisions are made by majority but every effort is made to arrive at decisions by consensus. Decisions are also made transparently.

Australia is currently an executive board member represented by a Permanent Representative (Australia's Ambassador to Italy) and an Alternative Representative (AusAID Counsellor, Paris).

WFP's progressive management does well in translating objectives into resource and program management. Its strategic objectives are outlined in the *Strategic Plan 2008–13*. WFP has developed planning, budgeting and management systems which enable it to respond quickly to unforeseen and foreseen emergencies.

Overall, WFP has a sound monitoring and evaluation framework relating to large-scale humanitarian operations, with an Office of Evaluation dedicated solely to this task. The framework is in the process of being further strengthened at the corporate level through implementation of new IT systems and the pending recruitment of a Chief Monitoring Officer. WFP's governing bodies and management adapt operations actively in light of monitoring and evaluation information.

A weakness in WFP's current monitoring system is the varying capacity of country offices to collect good quality data, especially when they deliver through multiple partners and have little direct funding for support costs. The *Annual Evaluation Report* for 2010 notes this is a longstanding problem. However in 2011, WFP has worked extensively to improve its monitoring system both at headquarters and in the field. With a new monitoring strategy being rolled out from 2012, Australia will continue to monitor this policy development to assess its effectiveness in implementation particularly the new innovative programs such as cash and vouchers and twinning. WFP's governing bodies and management adapt operations actively in light of monitoring and evaluation information.

WFP management states that maintaining the excellence and motivation of staff is a top corporate priority with staff trained in leadership, emergency response and security.

<b>a) Has clear mandate, strategy and plans effectively implemented</b>	<b>STRONG</b>
---	---------------

WFP has a clear mandate which the progressive management team translates well into strategic and management plans approved by the executive board.

The work of WFP is guided by its strategic plan 2008–13 which provides the framework for potential action based around five strategic objectives each with its own goals and tools identified for implementation.

WFP must incorporate in its planning, budgeting and management the need to be prepared for emergencies, some of which cannot be predicted although it has developed internal systems that enable it to respond quickly to both unforeseen and foreseen emergencies. It has also developed systems for, where possible, making the planning and budgeting process stable. This has been primarily achieved through the Strategic Resource Allocation Committee which was established to better align resources to priorities by seeking and allocating more non-earmarked (core) funds.

<b>b) Governing body is effective in guiding management</b>	<b>STRONG</b>
---	---------------

WFP's 36-member executive board represents traditional and emerging donors as well as recipient countries. It meets three times a year and participation in it is effective. Decisions are made by majority but every effort is made to arrive at decisions by consensus. Decisions are also made transparently. The executive board has initiated and encouraged several recent reform processes.

Australia is currently an executive board member represented by a Permanent Representative (Australia's Ambassador to Italy) and an Alternative Representative (AusAID Counsellor, Paris).

<b>c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results</b>	<b>STRONG</b>
--	---------------

Overall, WFP has a sound monitoring and evaluation framework relating to large-scale humanitarian operations. This framework is in the process of being further strengthened at the corporate level through implementation of new IT systems and the pending recruitment of a Chief Monitoring Officer. WFP's governing bodies and management adapt operations actively in light of monitoring and evaluation information.

WFP has a suitable evaluation policy and a good evaluation practice, and its governing bodies and management adapt operations actively in the light of information provided from monitoring and evaluation. WFP has also taken steps to bolster the resources of the WFP Office of Evaluation, as detailed under criterion 1(b).

WFP updated its evaluation policy in 2008. Since then, the executive board has held annual consultations on evaluation findings, reviewing thematic findings and implications for future work. Information from evaluations is factored into decisions on whether to scale up the more innovative elements of country programs. As an example of

executive board engagement with evaluation, it commended an evaluation of the WFP school feeding program in Kenya which made with-and-without, as well as before and after, comparisons of outcomes.

WFP reviews monitoring and evaluation planning through the Project Review Committee approval process. This includes the application of appropriate indicators, review of adequate monitoring and evaluation capacity, allocation of sufficient financial resources, and systematic baselines and results measurement data collection.

A weakness in WFP’s current monitoring system is the varying capacity of country offices to collect good quality data, especially when they deliver through multiple partners and have little direct funding for support costs. The annual evaluation report for 2010 notes that this is a long-standing problem. In 2011, WFP has worked extensively to improve its monitoring system both at headquarters and in the field. A corporate monitoring and evaluation tool (the Country Office Monitoring and Evaluation Tool), to be rolled out soon in the field, will standardise the management and use of global results data, including at the design, planning, monitoring, evaluation and reporting stages of the project life cycle.

During 2010–11, WFP developed the corporate *Monitoring and Self-Evaluation Strategy 2011–2013*. This strategy sought to improve the availability, quality, management of data, integrated internal use for quality project design, timely identification and incorporation of lessons learned, and the clear demonstration of results.

<b>d) Leadership is effective and human resources are well managed</b>	<b>STRONG</b>
--	---------------

WFP performs well in this respect. Leadership is effective with senior management maintaining that excellence and motivation of staff is a top corporate priority. But this is demanding, when 90 per cent of staff are deployed in the field, often facing security threats and risks to personal safety, and over half of international staff are in non-family posts.

Staff are given training in leadership, emergency response and security. This includes training in ethics, humanitarian principles and law, humanitarian negotiations and advocacy, do-no-harm principles, and prevention of and response to sexual and gender-based violence.

Since 2005 WFP has implemented a protection project (in partnership with the United Nations High Commissioner for Refugees, UNHCR) to build the capacity of field staff to understand and respond better to protection concerns. By 2012, training had covered 25 country operations and 2000 staff from WFP and its implementing or cooperating partners.

WFP continues to work on improving its model for supporting field staff and clarifying the roles and responsibilities between headquarters and regional bureaux and country offices.

<b>5. Cost and value consciousness</b>	<b>STRONG</b>
--	---------------

WFP’s policies and systems on cost and value consciousness are robust. Comparisons of cost per beneficiary, by program type and country of operation, are a routine part of management. The executive board has the opportunity to scrutinise proposals for effectiveness and cost when operations are submitted for approval (except those approved under delegated authority in emergencies). However, the level of such scrutiny varies.

Value for money is a systematic consideration in the planning and implementation of WFP programs. Substantial cost savings have been made in the past biennium. In 2008, WFP, the Food and Agriculture Organization and the International Fund for Agricultural Development established a common procurement team to tender jointly for common goods, works and services at their respective three headquarters to generate savings through coordination and leveraging economies of scale. This joint team achieved substantial savings in travel and mail distribution costs.

WFP consistently scrutinises costs in its relations with the many NGOs through which it delivers to beneficiaries. WFP reporting standards for NGOs are rigorous.

<b>a) Governing body and management regularly scrutinise costs and assess value for money</b>	<b>STRONG</b>
---	---------------

WFP’s executive board and management are attentive to costs. Proposals for operations (except those approved under delegated authority in emergencies) are submitted for approval to the executive board. While the level of scrutiny can vary, the executive board is given the opportunity to review and assess all proposals before them in terms of effectiveness and cost.

A fixed limit of seven per cent applies to WFP’s indirect costs which compares favourably with those of other multilateral organisations. Direct support costs for WFP operations are internally reviewed prior to being submitted for approval to the Programme Review Committee. This review includes scrutiny of the project budgets, including each project’s direct support costs proposal to ensure that all possible steps are being taken to maximise value for money.

<b>b) Rates of return and cost effectiveness are important factors in decision making</b>	<b>STRONG</b>
---	---------------

WFP management routinely undertakes comparisons of costs per beneficiary, by program type and country of operation. In 2010 WFP was able to demonstrate a three per cent reduction in the average cost per beneficiary despite the increased cost of food and fuel. The general level of vigilance about costs is satisfactory at headquarters, and generally satisfactory at country-level.

There have recently been cost saving innovations in program modalities, notably the use of cash and vouchers, but so far only on a small scale.

Donor or recipient countries' conditions regarding the origin, destination, quality, packing and marking of supplies often limit the flexibility of WFP purchases, and impact on procurement planning.

In 2008, WFP, FAO and IFAD established a common procurement team to tender jointly for common goods, works and services at the three headquarters to generate savings through coordination, leverage and economies of scale. Their joint team achieved substantial savings in the cost of travel and mail distribution.

In 2009, WFP introduced a forward purchasing facility, the main purpose of which is to reduce delivery time and improve pre-positioning. The Australian Multilateral Assessment notes, however, WFP needs a greater proportion of flexible multilateral funding to get best advantage from this.

<b>c) Challenges and supports partners to think about value for money</b>	<b>STRONG</b>
---	---------------

WFP effectively scrutinises costs in its relations with the many NGOs through which it delivers to beneficiaries. WFP's reporting standards for NGOs are rigorous.

WFP allows NGOs a standard management service charge of five per cent to cover headquarter administrative costs. Some NGOs have advised that WFP tries to negotiate this percentage down. Other NGOs have been granted a percentage increase in the management service charge where a clear rationale and justification can be provided to WFP.

<b>6. Partnership behaviour</b>	<b>STRONG</b>
---------------------------------	---------------

Overall, most stakeholders are satisfied with the extent of their influence on WFP operations. WFP cooperates effectively with other UN agencies, its NGO implementing partners and donors. WFP also has partnerships with private companies for fundraising and functional cooperation.

Evaluations have found that WFP development programs are well aligned with country plans and United Nations Development Assistance Frameworks.

WFP has received positive feedback from Australia's overseas mission in Bangladesh for its flexible, responsive and pragmatic approach to working with other UN agencies and from Australia's overseas mission in Laos for the significant improvement in its coordination with government counterparts on its school meals program.

WFP has invested significantly in structures and processes to ensure effective participation by donors, recipient government's and NGOs as well as beneficiaries. Submissions received from Australian NGOs, raised some concerns relating to how WFP engages with NGOs, particularly as a number of NGOs seek a more equitable relationship with WFP rather than being perceived as delivery agents. Civil society representatives raised similar concerns during the Australian Multilateral Assessment field visits to Ethiopia and Kenya. There is some scope for a more well-rounded partnership particularly in policy and advocacy at the field level.

**a) Works effectively in partnership with others****STRONG**

As outlined in WFP's strategic plan 2008–13 'partnerships are essential for WFP in order to accomplish its mission and achieve its objectives'. There is substantial evidence that WFP cooperates effectively with other UN agencies and donors, especially in providing logistics and telecommunications and in sharing information.

The *2010 Annual Evaluation Report* concluded that WFP's country portfolios were well integrated with United Nations Development Assistance Frameworks and consistent with partners' priorities. WFP maintains agreements with a number of United Nations agencies including the UNHCR, UNICEF and UNDP to work jointly in areas such as protection advocacy, chronic and acute malnutrition, and relief and recovery. Feedback from Australian overseas missions has noted that WFP works very cooperatively with other UN agencies even under difficult circumstances.

WFP has received positive feedback from Australia's overseas mission in Bangladesh for its flexible, responsive and pragmatic approach to working with other UN agencies and from Australia's mission in Laos for the significant improvement in its coordination with government counterparts in its school meals program.

In 2010, WFP collaborated with nearly 2000 NGOs, almost 90 per cent of which were local NGOs or community-based organisations, in 162 projects in 66 countries all around the world. A total of 2.2 million metric tons of food aid was distributed through NGO partners, representing 50 per cent of WFP's total food distribution during 2010.

Some concerns were raised in relation to WFP's engagement with NGOs. A few NGOs are advocating for a more equitable relationship with WFP, and there is future scope for a more well-rounded partnership particularly in policy and advocacy at the field-level. WFP is responding to these concerns and is increasingly working with NGO partners at a strategic and policy-level, and through joint initiatives across the areas of cash and vouchers, HIV and AIDS, and protection.

WFP has a strategy for private-sector partnership, focused on fundraising. It aims to raise US\$200 million in cash from the private sector by 2017, and has so far had great success with this strategy.

WFP has also developed a wide range of capacity and service partnerships, for example:

- > in emergency logistics with TNT, Caterpillar and Vodafone
- > in nutrition with Cargill, DSM and Heinz, and
- > in research and development with the Gates, Buffett and Rockefeller Foundations.

**b) Places value on alignment with partner countries' priorities and systems****STRONG**

WFP performs well in this respect and is generally considered to have excellent relationships with partner governments. This strength is consistently reflected in the annual evaluation reports and in feedback from Australian overseas missions.

Annual evaluation reports, prepared by WFP’s Office of Evaluation, assess the degree to which WFP in-country operations align with partner government strategies. The *2010 Annual Evaluation Report* considered 15 evaluations of WFP operations in Africa, Asia and the Middle East, and concluded that overall WFP policies and strategies were consistent with national priorities.

The report also analysed three country portfolio evaluations (Mali, Chad and Nepal) and concluded that the portfolios were a reasonably good fit with government policies and sector objectives. The evaluation, however, did note that WFP had used its leverage to influence national policy development more effectively in some countries such as Mali.

<b>c) Provides voice for partners and other stakeholders in decision making</b>	<b>SATISFACTORY</b>
---	---------------------

Overall, most stakeholders are satisfied with the extent of their influence on WFP operations.

WFP programs are generally developed through broad-based participation to ensure that stakeholders including beneficiaries, national and local governments, civil society organisations and other partners have the opportunity to contribute their knowledge skills and resources. WFP performs well in gathering information and disaggregated data relating to prospective beneficiaries.

WFP recognises that it faces challenges in applying participatory approaches in emergency situations but still strives to involve participation by stakeholders in decisions which will affect them. In some submissions received from Australian NGOs, comments were provided in relation to the effectiveness of WFP engagement and consultation with them, and remarked that they were perceived solely as delivery agents rather than as partners. Civil society representatives raised similar concerns during the Australian Multilateral Assessment field visits to Ethiopia and Kenya.

Conversely, WFP exhibits a commitment towards strengthening partnerships with NGOs through a number of tools. For example, at the global-level, the regular WFP-NGO consultation, held annually at WFP headquarters since 1995, provides a strategic setting for fostering partnerships beyond the field-level.

At the country-level, WFP Kenya for example, involves NGO partners, government and other stakeholders in project conceptualisation and design, including consultation on developing a WFP Country Strategy. This is in addition to periodic consultations on operational, resourcing and strategic issues.

<b>7. Transparency and accountability</b>	<b>STRONG</b>
---	---------------

WFP performs well in providing information about its operations, including its budgets—subject to their unpredictability.

The budgeting system is transparent, providing clear and timely publication of proposed budgets, running amendments to them and developing end-of-year budget reports. However, ex-ante budgets are qualified by WFP’s reliance on donors’ voluntary contributions in response to emergencies.



WFP has a standard budgeting format for its partners, and compares their costs with local standards for similar operations and situations in country.

WFP has generally good policies and practices in place for financial management, audit, risk management and fraud prevention. It made appropriate refinements following a recent inquiry into allegations that some food aid was diverted in Somalia.

WFP was the first UN agency to implement the International Accounting Practises Standards system and provides the associated Standard Project Report annually.

Transparency and accountability are promoted in WFP's relations with NGOs contracted as operational partners.

**a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality**

**STRONG**

Although it is not a signatory to the International Aid Transparency Initiative, WFP performs well in this respect. WFP's disclosure policy (June 2010) is available on its public website. It is intended to ensure that information related to WFP programs and operations is available to the public, except for limited information which has been deemed confidential.

Project documents, project funding status, policies, annual reports, evaluations and management responses are available on the main WFP website or the WFP executive board website. Internal guidance, such as the Programme Guidance Manual, and internal memoranda are not available.

The main accountability instruments at the operational level are the Standard Project Reports (SPRs) and the Annual Performance Report (APR). The SPRs are produced annually and are available online and searchable. For each active project, standard project reports provide some information on outcomes (including outcomes linked to WFP's Strategic Results Framework, as well as project-specific indicators). This in particular includes changes in nutritional levels and food security, and some qualitative analysis of these outcome indicators. The Annual Performance Report provides a more consolidated and qualitative analysis across WFP's work during the year, and in line with WFP's Strategic and Management Results Frameworks.

WFP has a Financial and Conflict of Information disclosure policy (2008) covering disclosure of financial interests, outside activities and honours, decorations, favours, gifts or remuneration.

**b) Is transparent in resource allocation, budget management and operational planning**

**SATISFACTORY**

WFP's budgeting system is transparent, providing clear and timely publication of proposed budgets, running amendments to them and end-of-year budget reports.

However, the ex-ante budgets are qualified by WFP's reliance on donors' voluntary contributions in response to emergencies.

Some submissions to the Australian Multilateral Assessment from Australian NGOs which implement WFP programs commented that there was a lack of transparency by WFP over impending breaks in its supply chain during the Horn of Africa food crisis. While acknowledging this criticism, it needs to be considered that WFP was operating in a challenging, complex and fluid situation and did not necessarily have advanced warning on the break in its supply chain.

<b>c) Adheres to high standards of financial management, audit, risk management and fraud prevention</b>
--

<b>STRONG</b>
---------------

WFP’s policies and practices are generally good in these respects.

WFP was the first UN organisation to implement International Public Sector Accounting Standards (IPSAS), and since then has achieved unqualified annual audits.

WFP’s financial accountability systems and processes are strong, and the organisation is making ongoing improvements—including improving supply chain controls in high-risk environments.

Annual reports by the Inspector General describe the audit and investigation activities of the Oversight Office; they summarise strengths and weaknesses found in each area, and report on implementation of audit recommendations. WFP has demonstrated good progress in implementing internal audit recommendations with outstanding recommendations falling by 45 per cent as more than 400 recommendations were reviewed and implemented.

Corruption and fraud is generally handled well, at least in straightforward cases, and WFP has usually been able to recover stolen money and food. In politically sensitive cases, such as Eritrea in 2006 and Somalia in 2009–10, WFP has acted slowly and without transparency, but this is understandable.

A recent review of WFP’s risk management system, after audits suggested there had been diversion of some food aid in Somalia, has not indicated major shortcomings, but has led to the adoption in late 2011 of an appropriate set of refinements.

<b>d) Promotes transparency and accountability in partners and recipients</b>
---

<b>STRONG</b>
---------------

WFP generally promotes transparency and accountability in its relations with NGOs contracted as operational partners.

WFP’s guidelines for dealing with its contracted NGO partners state that cost and cost effectiveness are primary considerations, along with service, capacity and reliability.

WFP has a standard budgeting format for its partners, and compares their costs with local standards for similar operations and situations in the country.