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WFP and the Grand Bargain

INTRODUCTION

WFP strongly supports the Grand Bargain and will continue to play a strategic and constructive role in the implementation of the commitments, in particular through our co-leadership of the cash workstream. This update highlights the key actions taken by WFP on the Grand Bargain core commitments since our update in January 2018.

WFP has transformed in order to optimize the implementation of our 2017-2021 Strategic Plan in support to the SDGs. We have found a method of leveraging the humanitarian-development nexus in our Country Strategic Plans and adopted a whole of society approach to zero hunger. Thus, implementation of the Strategic Plan reinforces WFP's progress towards Grand Bargain commitments and the organizations' determination to enhance efficiency, effectiveness and value for money.

WFP supports a renewed focus on the original purpose of the High-Level Panel on Humanitarian

Financing – and the Grand Bargain as an efficiency accelerator – which was to shrink the needs and narrow the gap. However, in the past two years the gap between funding requirements and contributions has continued to widen and the original quid pro quo spirit of the Bargain has faded.

At the same time, the Grand Bargain has developed an unfortunate perception that it mainly represents the interests of the traditional donor-led humanitarian community and the Grand Bargain signatories must do more to engage recipient countries for them to own and acknowledge the value of the commitments if they are to continue to have relevance.

WFP encourages all signatories of the Grand Bargain to be clear sighted on the costs and risks associated with parallel reporting and duplication of commitments between the Grand Bargain and the new Funding Compact that UN agencies and Member States have now signed up to through the UN reform.



1. TRANSPARENCY

WFP has now fully rolled out the new financial framework to 82 Country Offices enabling the inclusion of more granular Country Portfolio Budget activity information. Crucially, in relation to our Grand Bargain commitments, this provides a direct link to SDG Goals and Targets as well as an improved alignment with OECD purpose codes. WFP also started to publish forward looking budgets for up to five years in line with the new Country Strategic Planning cycle. The framework enhances the relevance and impact of WFP's work by improving transparency of its operations, cost drivers and how the organization communicates results.

WFP continues to maintain its lead among all IATI signatories with respect to IATI reporting, scoring a record 99% compliance in 2018. The new financial framework enabled a substantial improvement: while in the past we reported financial transactions at aggregated project level, now we can extract and publish directly at activity level. Consequently, the level of granularity in the published dataset has increased substantially from 180 active yearly activities in 2016 to 700 in 2018.

WFP launched a data portal for Member States and donors that includes programme, financial and performance-related information for Executive Board-approved country strategic plans. The portal provides greater transparency on WFP's planning and results, strengthens governance and oversight requirements, and facilitates funding decisions. It is building donor confidence to support increased multi-year, multilateral and results-based funding.

2. LOCALIZATION

WFP scaled up its joint capacity strengthening initiative with IFRC in 2018. This flagship localisation initiative is demonstrating how WFP, IFRC and other partners can work together to build robust, sustainable National Societies, capable of delivering on their mandate and contributing to enhanced, local food security capacity.

WFP also started the implementation of its new corporate Guidance for the Management of NGO partnerships 2018 together with the new dedicated guidance on capacity strengthening of civil society partners.

WFP continued to embrace a "Whole of Society" approach to zero hunger. WFP Country Offices have engaged in developing multi-year Country Strategic Plans, where local partners are included in WFP's analysis, consultation, planning and response. This includes stakeholder meetings with national host governments and in country clusters, allowing for local responders to be a part of the design and development of Country Strategic Plans.

WFP remained on track in 2018 to meet its commitment to transfer 25% of its resources to national and local first responders. However, definitive trends are challenging to identify and attribute to specific contributions given the efficiencies that come with pooling resources from different donors. This is ever more the case as WFP scales up the balance of cash-based interventions which involve multiple actors.

3. CASH-BASED PROGRAMMING

WFP transferred 1.7 billion USD to 24.5 million people in 62 countries in 2018. This is a 21% increase from 2017, when WFP transferred 1.4 billion USD to 19.2 million people. WFP is increasingly using unrestricted cash transfers, accounting for 1.1 billion USD or 62% of the overall CBT transfer value in 2018.

In 2018, WFP transferred 35% of its total assistance through CBT and commodity vouchers. Scale-up has entailed a renewed focus on tightening reporting, putting in place requisite oversight frameworks and segregation of duties across the digital cash flow, as well as establishing an end-to-end management of CBT data analytics.

Turkey remains the largest CBT operation, 463 million USD were transferred in 2018, followed by Lebanon (277 million), Jordan (161 million) and Somalia (116 million). Though Syria + 5 accounts for half of the USD transfer value in 2018, there has been a 21% increase in the CBT transfer value outside of Syria +5, with notable scale-up in Yemen, DRC and Nigeria.

4. REDUCING MANAGEMENT COSTS

UNHCR, UNICEF and WFP launched the UN Partner Portal in November 2018. This collaboration has resulted in the three agencies simplifying and harmonizing their partnership processes and requirements related to obtaining civil society declarations and profile information, conducting due diligence screening and assessing concept notes submitted by NGOs.

WFP, UNHCR, and UNICEF will be working towards using the portal as the primary process for first level due diligence, and global open calls and direct selection of partners reducing CSOs administrative burden and duplication of activities due to the harmonized due diligence process for the three agencies. Through 2019, the three UN agencies involved hope to onboard several more UN agencies.

By harnessing the power of the blockchain, WFP aims to reduce payment costs, better protect beneficiary data, control financial risks, and set up assistance operations more rapidly in emergencies. As of October 2018, more than 100,000 people residing in camps in Jordan redeem their WFP-provided assistance through the blockchain-based system ('Building Blocks'). Additionally, the launch of WFP's Choice programme has meant that refugees in Jordan and Lebanon can opt to use e-voucher to buy food in shops, or withdraw cash from ATMs.

5. NEEDS ASSESSMENTS

WFP continues to be committed to undertaking joint needs analysis and it is encouraging to see that there is very strong appetite for this initiative. The Food Security Information Network (FSIN) is instrumental in the development of the third edition of the consensus based Global Report on Food Crises 2018 and the joint FAO/WFP update for the United Nations Security Council for monitoring food security in countries with conflict situations in December 2018. These joint initiatives—bringing together UN agencies, NGOs, regional and global food security research institutions—are critical to ensure that development and humanitarian partners are working from the same page.

WFP continues to use the latest information technology to increase the coverage, frequency, depth, quality and the dissemination of the joint needs assessments/analysis. This informs better response analysis for effective and efficient program delivery by national, regional and global partners.

In 2018, WFP piloted and produced guidelines on essential needs assessments that is looking at needs more holistically from a household perspective and is a multi-sectoral approach with WASH, shelter, education, health and nutrition. WFP also continue to invest in ensuring that all countries offices have the mechanisms and capacities to deploy IPC, evidence-based, credible and consensus driven food security analysis.

6. PARTICIPATION REVOLUTION

During 2018, WFP piloted a comprehensive corporate approach to complaints and feedback mechanisms. Lessons-learned and best practices identified during the pilot will inform a broad roll out plan in 2019. Globally, WFP has expanded its implementation of complaints and feedback mechanisms with 86% of WFP country offices reporting they have complaints and feedback mechanisms in place. This represents a 6% increase from the previous year.

WFP has developed a new strategy for engagement with affected populations and vulnerable groups that will be implemented over the period of 2019-2021. Core AAP components of this strategy include the roll out of a comprehensive corporate approach for receiving, processing and using feedback for programme implementation.

WFP has strengthened its corporate reporting system to better capture qualitative aspects of AAP by updating its corporate indicators for performance on receipt and utilization of feedback from affected people. Reporting against this indicator will be available from mid-2019.

7-8. ENHANCED QUALITY FUNDING

In 2018, WFP multi-year income accounted for 14%, reaching a total of 1.02 billion USD. Multi-year contributions confirmed for 2019-2023 towards WFP's Programme of Work reached 1.3 billion USD. Compared to 2017, the level of multi-year funding increased by 62 million USD. However, the % of multi-year funding slightly decreased in "real terms" as overall funding increased as well.

WFP's un-earmarked or "multilateral" funding trend remains stable, averaging 415 million USD per year. However, flexible funding has not kept pace with the overall growth in WFP's contribution income. Flexible funding against the total contributions income has steadily decreased from 12% in 2011 to only 6% in 2018. As part of its efforts, WFP will continue to pursue a high-level strategic dialogue with donors.

WFP continues to advocate for more funding predictability and seek to strengthen the tools that support better funding predictability including multi-year Strategic Partnership Agreements and multi-year contributions. Evidence suggests that multilateral contributions provide the needed predictability and flexibility crucial for emergency responses and continuity of operations in other areas of intervention. WFP has a greater capacity to intervene at the right time, avert pipeline breaks, reimburse advanced financing and provide regular food rations more efficiently to beneficiaries.

9. HARMONIZED REPORTING

For the 2018 reporting cycle, WFP introduced a new report template which is in line with the '8+3' Grand Bargain reporting template (e.g. focuses on programme results, resources and the cross-cutting areas). This structure follows common GB terminology. As a result of the new structure, WFP expects to receive less ad-hoc reporting requests and reporting amendments to grant agreements.

Full understanding of impact will only be gained from donor feedback in the coming months. However, the new web-based annual country report can already be seen as a more visually appealing and simplified means for country offices to demonstrate results from the reporting year.

The feedback from WFP's cooperating partners has been overwhelmingly positive as they found the narrative reporting template to be simple and concise, and they welcomed the attempt to harmonize the narrative reporting among all partners. The cooperating partner narrative reporting was also very useful for WFP as it could easily feed into WFP's own annual country report, where applicable.

10. HUMANITARIAN-DEVELOPMENT NEXUS

WFP continues to build more and stronger operational partnerships with organizations that can bring development and peacebuilding assistance to those we serve, as part of wider efforts to provide integrated support that can contribute to addressing root causes. What was once termed the "New Way of Working" has become the way we work. We look beyond how humanitarian activities engage with development, to consider the relationship with peacebuilding and sustaining peace as well. WFP identifies context specific activities that are sustainable and contribute to the longer-term resilience of populations. We also continue to refresh our thinking on how WFP can remain principled in the humanitarian space, while also contributing to creation of a space where development dividends can be seeded.

In a number of countries, WFP is engaging with wider national planning processes to set SDG-defined priorities as Collective Outcomes. These processes are proving to be enormously valuable for identifying new partners with whom we can work according to our comparative advantages. WFP is also setting a corporate decision and strategic framework on the humanitarian-development-peace nexus, in order to strengthen mainstreaming actions.

WFP's mandate and the nature of its programmes—that straddle humanitarian action and sustainable development—combined with hunger situations that more frequently are defined by conflict, means that the potential contribution of the organization to outcomes across the humanitarian, development, and peace objectives can be significant. WFP has a clear role to play in ensuring that humanitarian and development action is strategic and linked.

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