

**REVIEW OF MANAGEMENT AND ADMINISTRATION
IN THE WORLD FOOD PROGRAMME (WFP)**

Prepared by

***Yishan Zhang
Nikolay Chulkov***

Joint Inspection Unit

Geneva 2009



United Nations

REVIEW OF MANAGEMENT AND ADMINISTRATION IN THE WORLD FOOD PROGRAMME (WFP)

Prepared by

***Yishan Zhang
Nikolay Chulkov***

Joint Inspection Unit



United Nations, Geneva 2009

EXECUTIVE SUMMARY

Review of Management and Administration in the World Food Programme (WFP) JIU/REP/2009/7

Objectives

This “Review of Management and Administration in the World Food Programme” (WFP) is part of a series of reviews of participating organizations undertaken by the Joint Inspection Unit in recent years. The objective is to identify areas for improvement focusing on governance, executive management, administration, strategic planning, budgeting, human resources management and oversight, among others. The Inspectors made 12 recommendations; nine are directed to the Executive Director while three are addressed to the Executive Board.

Main findings and conclusions

The overall assessment of WFP is largely positive in the international community. In terms of management and administration, the Inspectors found an active and self-improving organization committed to adapting to changing environments and improving its effectiveness and efficiency.

Though emergency-focused and operating in a volatile environment, WFP enjoys robust corporate tools with which to reinforce strategic planning and management capacities, sustained by results-based management.

Being entirely voluntary-funded, WFP has no predictable income for its programme support and administrative functions and also has no secured funds for the implementation of operational activities as approved by the Executive Board. Ensuring more predictability and stability of the funding is crucial for WFP to perform its mandate. The Inspectors welcome as timely the WFP initiative to review its financial framework in 2009.

The high percentage of earmarked contributions remains another challenge for WFP. Earmarking is a delicate and sensitive issue, sometimes with political connotations. To ease earmarking, joint efforts are needed from among Executive Board, donors and WFP secretariat. The Inspectors believe that WFP should make more efforts to enhance transparency and assurance in resource allocation and to strengthen communication with donors so as to reduce earmarking of contributions.

WFP has been engaged in its decentralization process for more than a decade. Besides achievements, there is still room for improvement. Streamlining the three-tier structure is necessary to avoid bypassing, overlapping, duplication or conflicting requests and advices. The Inspectors recommend a study on overlaps and gaps in support and administrative functions within the decentralized structure.

The Joint Inspection Unit conducted an online staff survey targeting all WFP employees. It provided useful insights into various aspects of the organization that have been used in the report. The survey response rate was very encouraging at 35 per cent and over 50 per cent in several categories of employees. Value and job satisfaction are well rated and employees, generally speaking, consider WFP a good place to work. However, there are significant differences in the pattern of responses among different categories of staff and employees. The Inspectors noted that on many subjects, international professionals sounded more negative as compared with the global audience. In addition, opinions of staff members at headquarters are usually less favourable compared to those of field staff.

The area of human resources management requires particular attention. Management–staff relations, mobility and career management are highly sensitive subjects for various categories of staff. In particular, the Reassignment, Rotation and Mobility (RRM) exercise, which involves one fifth of the professional staff every year, is considered negatively by more than half of the professionals in terms of its fairness and transparency. This merits the attention of the Executive Director and the Executive Board and calls out the need for a review of the RRM policy.

CONTENTS

	<i>Paragraphs</i>	<i>Page</i>
EXECUTIVE SUMMARY		iii
ABBREVIATIONS		vi
I. INTRODUCTION	1–12	1
A. Scope, objectives and methodology	1–7	1
B. A dynamic and self-improving organization	8–12	1
II. GOVERNANCE	13–22	3
A. Dual parentage	13–18	3
B. WFP Executive Board	19–20	4
C. Executive Director	21	5
D. WFP secretariat	22	5
III. STRATEGIC PLANNING	23–34	5
A. Strategic planning framework	23–28	5
B. Results-based management	29–34	6
IV. FINANCIAL FRAMEWORK	35–52	9
A. Enlarging the donor base	39–40	9
B. Earmarking of contributions	41–44	10
C. Full cost recovery principle	45–49	11
D. Trust funds and special accounts	50–51	12
E. Financial statements	52	13
V. A DECADE AFTER DECENTRALIZATION	53–64	13
A. Present status of decentralization	55–57	13
B. Difference in assessment in headquarters and field perspectives	58–64	14
VI. HUMAN RESOURCES MANAGEMENT	65–91	17
A. Composition of the WFP workforce	68	17
B. Gender balance	69–72	18
C. Geographical distribution	73–75	19
D. Reassignment, rotation and mobility exercise	76–84	20
E. Exceptional promotions	85	23
F. Use of consultants	86	23
G. Dual staff regulations and rules	87	24
H. Managers	88–89	24
I. Staff representation	90–91	24
VII. OVERSIGHT	92–103	25
A. Evaluation	95–98	26
B. Audit, inspection and investigation	99–102	26
C. Audit Committee	103	27
VIII. OTHER ISSUES	104–106	27
A. Security and safety	104–107	27
B. Humanitarian Air Service	108	29
C. Common services among Rome-based agencies	109–110	29
D. Conference services	111–113	29
E. Information and Communication technology	114–116	30
IX. STAFF SURVEY	117–124	30

ANNEXES

I.	WFP organization structure	33
II.	Governance and oversight framework	34
III.	Overview of action to be taken by participating organizations on JIU recommendations	35

ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
APR	Annual Performance Report
BMP	Biennial Management Plan
CEB	United Nations System Chief Executives Board for Coordination
ECOSOC	United Nations Economic and Social Council
FAO	Food and Agriculture Organization of the United Nations
HLCM	High-level Committee on Management
ICT	information and communication technology
IFAD	International Fund for Agricultural Development
IPSAS	international public sector accounting standards
JIU	Joint Inspection Unit
MDG	Millennium Development Goals
NGO	Non-governmental organization
OEDE	Office of Evaluation
OHCHR	Office of the United Nations High Commissioner for Human Rights
OSD	Inspector General and Oversight Division
PRRO	Protracted Relief and Recovery Operations
RBM	results-based management
RRM	Reassignment, Rotation and Mobility
SSS	Security and Safety Services
SP	Strategic Plan
SPR	Standard Project Report
SRAC	Strategic Resource Allocation Committee
UNDP	United Nations Development Programme
UNDSS	United Nations Department of Safety and Security
UNHAS	United Nations Humanitarian Air Service
WFP	World Food Programme
WGG	Working Group on Governance

I. INTRODUCTION

A. Scope, objectives and methodology

1. As part of its programme of work for 2009, the Joint Inspection Unit (JIU) conducted a review of management and administration in the World Food Programme (WFP). It is part of a series of reviews of management and administration of participating organizations undertaken in recent years.

2. The objectives of the review were to identify areas for improvement, as well as to pinpoint best practices and share them with other United Nations system organizations. The focus is on governance, executive management, administration, strategic planning, budgeting, human resources management, and oversight, among others; keeping in mind that the timing of the JIU review is concomitant with several initiatives or projects within WFP in some of the studied areas.

3. In accordance with the internal standards and guidelines of JIU and its internal working procedures, the methodology followed in preparing this report included a preliminary review, corporate and regional-focused questionnaires, and in-depth analysis. The Inspectors held interviews with WFP officials and representatives of a number of other international organizations, non-governmental organizations (NGOs) and Member States, in particular members of the WFP Executive Board. The Inspectors also dialogued with WFP regional bureau and country office directors as well as other WFP staff, including staff representatives. Comments from the WFP secretariat on the draft report were sought and taken into account in finalizing the report.

4. To hear the views of staff, JIU conducted a trilingual staff survey targeting all WFP employees regardless of their type of appointment, duration of contract or duty station. Both the interest shown and the participation among WFP employees were encouraging (The overall response rate was 35 per cent and 60 per cent for international professionals.) This shows that WFP employees are keen to express their opinion on key aspects of their work as well as on issues related to their organization.

5. In accordance with article 11.2 of the JIU statute, this report has been finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.

6. To facilitate the handling of the report and the implementation of its recommendations and the monitoring thereof, annex III contains a table specifying those recommendations that require a decision by the WFP Executive Board and those that can be acted upon by the Executive Director.

7. The Inspectors wish to express their appreciation to all who assisted them in the preparation of this report, particularly to those who participated in the interviews and so willingly shared their knowledge and expertise.

B. A dynamic and self-improving organization

8. WFP was jointly established in 1961 by the United Nations General Assembly and the Food and Agriculture Organization (FAO) Conference with its headquarters located in Rome. Its mandate is twofold: to provide emergency relief for natural and man-made disasters and to combat global hunger.

9. WFP is the largest humanitarian agency in the United Nations system. Fundamental changes have taken place over the years. Originally, the main task of WFP was to deliver and distribute surplus food from rich Northern countries to poor and hungry populations in the

South. Now WFP has developed into a comprehensive programme playing a primary, critical role in fighting hunger and ensuring food security worldwide. The WFP Strategic plan of 2008–2011 emphasized “an historical shift from food aid to food assistance” underlying the direction beyond traditional delivery of food for lives-saving toward the incorporation of long-term perspectives and solutions in a wider scope of action. In 2008, WFP employees totalled 11,909 and its expenditure exceeded US\$ 6 billion. In the same year, it assisted 102 million hungry people in 78 countries with over 3.9 million metric tons of food, which accounted for 64 per cent of global food aid. At the same time, WFP also serves as a lead agency for the logistics cluster within the United Nations system of organizations.

10. During their review, the Inspectors have observed that WFP operates in a volatile and challenging environment. The Programme has the unique characteristics of being emergency-focused, voluntary-funded, field-oriented and operating in arduous and often dangerous working conditions. Since it relies totally on voluntary contributions, WFP has faced severe difficulties in 2009 on account of a lack of funding for implementation. Owing to the dangerous environment, in 2008, four WFP staff and 13 WFP-contracted employees were killed while performing their duties.

11. The overall assessment of WFP is largely positive in the United Nations community, as well as among Member States. WFP is depicted as a dynamic organization that fulfils its mandate and delivers fast, effective aid and assistance to its beneficiaries. It plays a primary role in achieving the Millennium Development Goals (MDG), especially MDG1 to eradicate extreme poverty and hunger.

12. In terms of management and administration, the Inspectors found an active and self-improving organization committed to adapting to a changing environment and improving its effectiveness and efficiency. The Inspectors came across numerous positive examples: being one of the first organizations in the United Nations system to adopt a mission statement, being one of the first to carry out the results-based management approach (RBM); restructuring the organization through decentralization to bring it closer to and to better serve its beneficiaries; developing and implementing an integrated information management system; engaging in self-examination and improvement by setting up a Working Group on Governance (WGG) and subsequently implementing its recommendations. More recent examples include the development of new policies in areas such as human resources and evaluation, the recent review process of its financial framework and the implementation of international public sector accounting standards (IPSAS).

II. GOVERNANCE

A. Dual parentage

13. The World Food Programme was jointly established in 1961 by the United Nations General Assembly¹ and the Food and Agriculture Organization Conference.² The General Regulations, the General Rules, the Financial Regulations and the Rules of Procedure of the Executive Board complete its legal framework.

14. WFP has thus a specific legal status of “dual parentage” involving dual reporting obligations to the United Nations and the FAO, as well as several dual legal, consultative, oversight and advisory mechanisms as described in Table 1.

15. In historical perspective,³ it is only following revised institutional arrangements which entered into force in 1992 that WFP acquired a larger degree of autonomy, including management and administrative authority over its personnel or financial resources.

16. Concerning dual parentage, there are different views among WFP stakeholders. Some welcome the benefits of having two pillars linking WFP with its parent bodies. Some pointed out the risks for additional expenses or delays in the governance process. Others questioned the real added value in terms of governance or oversight capabilities. According to the WFP secretariat, the dual parentage arrangements have not significantly delayed any processes from a management perspective.

17. In 1999, at the request of the Executive Board, a Working Group on Governance (WGG) was established with a view to strengthening WFP governance processes.⁴ The Inspectors commend the process conducted by the Board with the assistance of the secretariat that created the conditions for a number of positive changes in the governance mechanisms as well as in related working methods. Such changes include the reinforcement of strategic planning, the increased delegation of authority to the Executive Director and the reduction of the number of Executive Board sessions.

18. The Working Group on Governance also raised the issue of dual parentage but considered it as a non-priority concern in its final report endorsed by the Executive Board. The Inspectors are of the view that potential additional expenses, delays and duplications resulting from dual parentage still merit attention and further study.

¹ United Nations General Assembly resolution 1714(XVI).

² FAO Conference resolution 1/61.

³ See “The UN World Food Programme and the Development of Food Aid”, Dr. John Shaw, Palgrave, 2001, Chapter 8.

⁴ The WGG provided an intermediate report in 2000 (WFP/EB.A/2000/4-D) containing recommendations (most of them accepted by the Executive Board) and a final report in 2005 (WFP/EB.2/2005/4-C/Rev.1) documenting and positively evaluating the implementation of the recommendations.

Table 1: Main dual parentage arrangements

Areas covered	Legal provision	Parent entities
Reporting obligations	General regulations, Art. VI	ECOSOC and FAO Council
Election of Executive Board members	General regulations, Appendix	ECOSOC and FAO
Agenda of the Executive Board	Rules of procedures Executive Board, rule III	ECOSOC and FAO Council
Participation as observer in Executive Board meetings	Rules of procedures Executive Board, rule XV	UN and FAO member states
Special session of the Executive Board	Rules of procedures Executive Board, rule I	UNSG and FAO DG
Official documents distribution to parent bodies	Rules of procedures Executive Board, rule III	UN and FAO
Strategic planning	Financial Regulation VII	ACABQ and FAO Finance Committee
Advice on financial matters	General Regulations, Art. XIV	ACABQ and FAO Finance Committee
Appointment of the Executive Director and Deputy Executive Director	General regulations, Art VII	UNSG and FAO DG
Appointment above D2	General regulations, Art VII	UNSG and FAO DG
Approval of certain emergency operations	General rules, Appendix	FAO DG
Amendment of General Regulations	General regulations, Art. XV	United Nations General Assembly and FAO Conference
Amendments of General rules	General Rules, Art. XV.1	ECOSOC and FAO Council (for information only)
Staff administration	General regulations, Art VI	FAO

B. WFP Executive Board

19. The governing body of WFP is the Executive Board.⁵ It provides intergovernmental supervision, reviews and approves WFP programmes and monitors the overall performance of the Programme. Consisting of representatives from 36 Member States, of which 18 are elected by the Economic and Social Council of the United Nations (ECOSOC) and 18 by the Council of the Food and Agricultural Organization, the Board holds three sessions annually: a First Regular Session in February, a Second Regular Session in November and the Annual Session in June. The Bureau of the Board is acting in between official sessions and maintains relations with the WFP secretariat on behalf of the Executive Board members.

20. The Inspectors noted that, since 1996, the WFP Executive Board has established the practice of appointing a Vice-President who serves for a year and then takes over as President. There is consensus that the arrangement serves as a valuable induction into the management of board proceedings and contributes to the effectiveness and efficiency of the Board's work.

⁵ Its functions and powers are stated in General Regulations and Rules articles V to VI.

C. Executive Director

21. The Executive Director, whose functions and powers are stated in General Regulations (Article VII), is the chief administrator of WFP. The Executive Director is responsible for and reports to the Board on the administration of WFP and the implementation of programmes, projects and other activities of the organization. The present Executive Director came into office in 2007.

D. WFP secretariat

22. Current WFP organizational structure came into effect as of July 2009⁶. It aims at enhancing the Programme management through four main pillars: (a) the Operations Department, (b) the Resources Management and Accountability Department, (c) the External Relations Department and (d) the Office of Hunger Solutions. All four entities are headed by a Deputy Executive Director at the level of Assistant Secretary-General. With the same objective, in 2008,⁷ the Executive Director established at the senior level an Executive Policy Council and an Executive Policy Committee for streamlining and improving the decision-making process of executive management.

III. STRATEGIC PLANNING

A. Strategic planning framework

23. Strategic planning is enclosed in the basic texts.⁸ Despite the fact that the Programme's emergency-focused business model and processes represent some obvious challenges to strategic planning, the Inspectors found a number of robust corporate tools with which to reinforce strategic planning and management capacities, as illustrated in Graph 1.

24. The Executive Board adopts a 4-year Strategic Plan (SP) based on RBM (with roll-out every 2 years). Following from the mission statement, the SP defines five strategic objectives for the Programme. WFP has also developed a Biennial Management Plan (BMP) that contains management priorities and budget requirements with which to achieve the defined strategic goals. As the organization is operating in a constantly changing environment, WFP presents regular updates to the Executive Board. For accountability purposes, an Annual Performance Report (APR) is presented to the board members, describing results achieved by strategic objectives.

25. In response to the External Auditor's comments on the general nature of the strategic goals,⁹ a Strategic Results Framework was added to the strategic plan in which goals were complemented and split into outputs and outcomes.¹⁰ It also includes more elements for performance measurement, in particular at the project level. In the Inspectors' views, such a framework should be included in future strategic plans.

26. The BMP is the main financial document presenting consolidated budget projections for all cost and programme categories for a given two-year financial period. In terms of content and presentation, the BMP has been improved in recent years. While acknowledging

⁶ See Annex I to this report.

⁷ ED2008/001.

⁸ General Rule VI.1

⁹ WFP/EB.2/2008/5-B/1, paragraph 10.

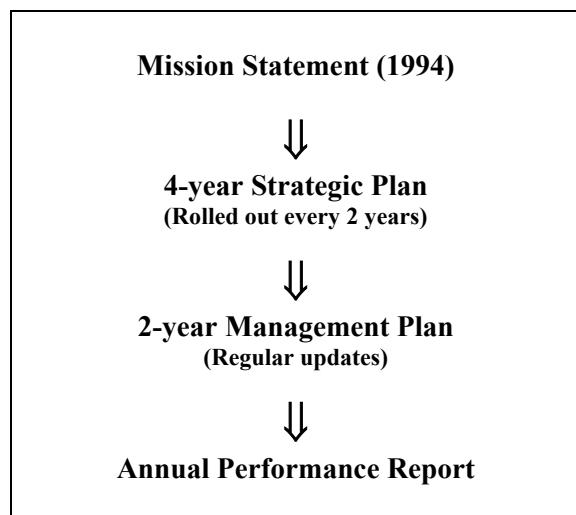
¹⁰ WFP/EB.1/2009/5-C.

the willingness and efforts of WFP to provide detailed data and support explanations, the Inspectors consider that greater effort should be made to present documents to the Executive Board in a more simplified and user-friendly way.

27. The APR is presented by WFP as a main accountability and learning tool at the corporate level. It also serves as the primary oversight mechanism for the Executive Board members and donors. Its components such as key figures as relative to MDGs, description of project and programme achievements linked with strategic objectives, and factual and strategic data for projects or programmes, constitute in the Inspectors' views a solid basis for achieving its intended functions. The Board approves the APR, "noting that it provides a comprehensive record of WFP performance for the year".

28. In addition, the Standard Project Report (SPR) is the reporting modality to donors at the individual project or programme level, with which, the Inspectors are pleased to point out, representatives of Member States expressed overall satisfaction.

Graph 1: WFP strategic planning



B. Results-based management

29. By the nature of its activities, the Programme has obviously always been results-oriented. As one of the pioneers in the United Nations community, WFP formally adopted a results-based management approach in the late 1990s.¹¹

30. In 2003, WFP created a RBM Division to develop its RBM framework, which laid out principles, tools, orientation guides and training for staff across the Programme. As a consequence of financial constraints, the Division wound up in 2006. The concept of mainstreaming RBM was introduced instead, leaving the responsibility of RBM implementation to project managers across the organization.

31. Through experience, WFP realized that a centralized level of organizational support was indeed needed to strengthen the RBM agenda. The loss of momentum following the closure of the RBM Division was noticed both by staff and delegates. In that spirit, the

¹¹ The External Auditor reported twice on results-based management at WFP, see WFP/EB.A/2006/6-D/1 and WFP/EB.2/2008/5-B/1.

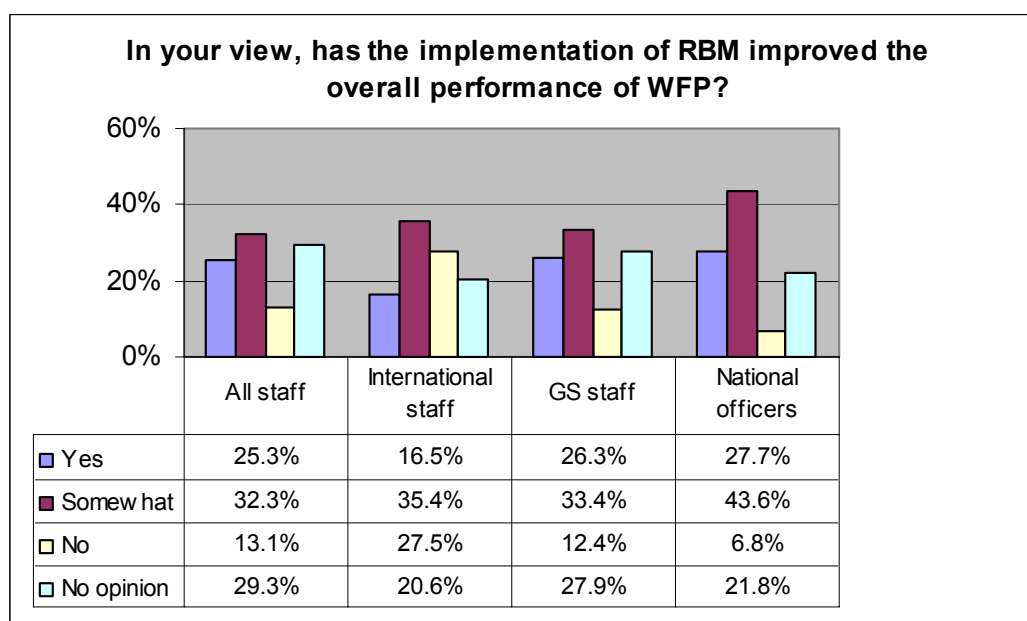
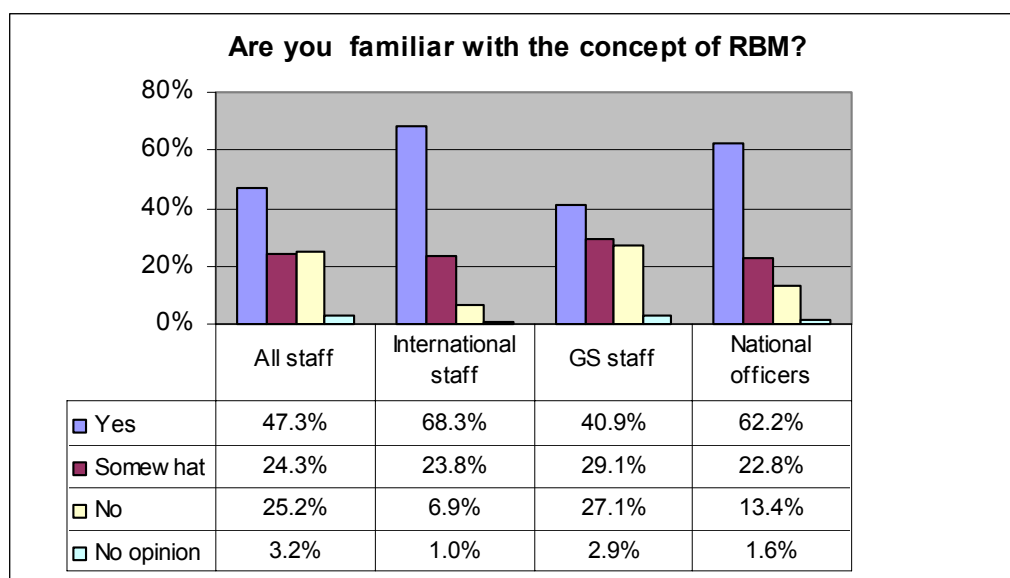
Inspectors welcome the fact that, in 2009, the mandate of a newly created Performance and Accountability Division includes the overseeing and promotion of RBM.

32. The Inspectors concur with WFP views that RBM has already produced a number of positive results. There is consensus among senior managers that RBM contributed to reinforcing country office capacities not only for planning and performance monitoring, but also for understanding the corporate mission. As a consequence, RBM created better awareness and comprehension among donors of project implementation and their outcomes (including reasons for less positive developments or absence of achievements), thereby enhancing relationships, which is crucial to voluntary-based funding.

33. However, the Inspectors wish to draw attention to more challenging aspects of RBM at WFP. These include (a) the potential difficulty in implementing RBM in such a fast-changing environment, (b) a certain lack of monitoring and evaluation capacity, in particular at the country office level, and (c) some remaining difficulties with consistency in data collection, despite the progress made in recent years. In the context of the new strategic direction, responses from interviews and questionnaires confirmed that there is a need to develop new and specific corporate indicators to measure successes and failures and to report on results achieved. The Inspectors were informed that WFP is exploring ways to increase the oversight role of its regional bureaux, which in turn would provide more support in data collection and guidance in monitoring, evaluating and adjusting models to local circumstances.

34. Both Charts 1 and 2 illustrate familiarity with RBM, particularly among international staff. Nevertheless, the assessment of RBM in terms of improving overall performance is much more nuanced than among senior management. An inverse correlation between the level of familiarity with RBM and the perception of improved performance, again particularly among international staff, can be noted.

Charts 1 and 2: Opinion of WFP employees regarding RBM, based on JIU survey 2009



Source: JIU survey 2009.

IV. FINANCIAL FRAMEWORK

35. In 2009, WFP initiated a review of its financial framework, which aims at ensuring more predictability and stability of its funding as well as at reinforcing transparency in the allocation of resources. The Executive Board will take up the subject in 2010. The Inspectors welcome this initiative as they consider an in-depth review and possible revision of the financial framework of the Programme to be timely.

36. As entirely voluntary funded, WFP has no predictable income for its programme support and administrative functions but also has no secured funds for the implementation of operational activities as approved by the Executive Board.¹²

37. According to WFP, on average, 80 to 90 per cent of the operations requirements expressed in the BMP are ultimately funded by donors. However, in more recent years the financial crisis has undermined donors' funding capacity, which raises the question of prioritization of resource allocation. In that sense, the Inspectors commend the creation of the Strategic Resource Allocation Committee (SRAC) in May 2009 to oversee the strategic prioritization in the allocation of all resources and to prioritize areas for major appeals and fundraising.¹³ Its mandate is to oversee overall financial management and resource allocation activities in WFP, and to make recommendations to the Executive Director in these areas.

38. Owing to the triple threat of food, fuel and financial crises, the number of hungry people worldwide is on a sharp increase, already surpassing one billion. The unpredictability of funding for WFP constitutes a formidable challenge which adversely affects its performance. The Inspectors had in-depth discussions of the issue with both WFP officials at different levels and representatives of Member States. The Inspectors would like to stress several areas for attention and improvement.

A. Enlarging the donor base

39. While still concentrating on long-term donors with high contributing capacity, WFP is seeking ways of enlarging its donor base. But the situation remains that 84 per cent of its resources come from 10 major donor countries. WFP should make greater efforts and formulate relevant strategies to enlarge further its donor base, especially among non-traditional donors from developing countries, in particular those with emerging economies.

40. In line with its private-sector policy framework, a strategy for private fund-raising was adopted in February 2008¹⁴. However, at this stage, private sector contributions remain marginal. At the Asian Regional Bureau visited by the Inspectors, an officer has been assigned exclusive responsibility for relations with the private sector. This is a good example showing that WFP is making efforts in this regard.

The implementation of the following recommendations is expected to enhance the effectiveness of the Programme.

¹² The Inspectors recall the findings and conclusions of the 2007 report on voluntary contributions in the United Nations system organizations and their impact on programme delivery and resource mobilization strategies (JIU/REP/2007/1).

¹³ See WFP/EB.A/2009/6-C/1, paragraphs 12 and following.

¹⁴ WFP/EB.1/2008/5-B/1.

Recommendation 1

The Executive Director should formulate relevant strategy in order to enlarge the Programme's donor base from among non-traditional donors.

Recommendation 2

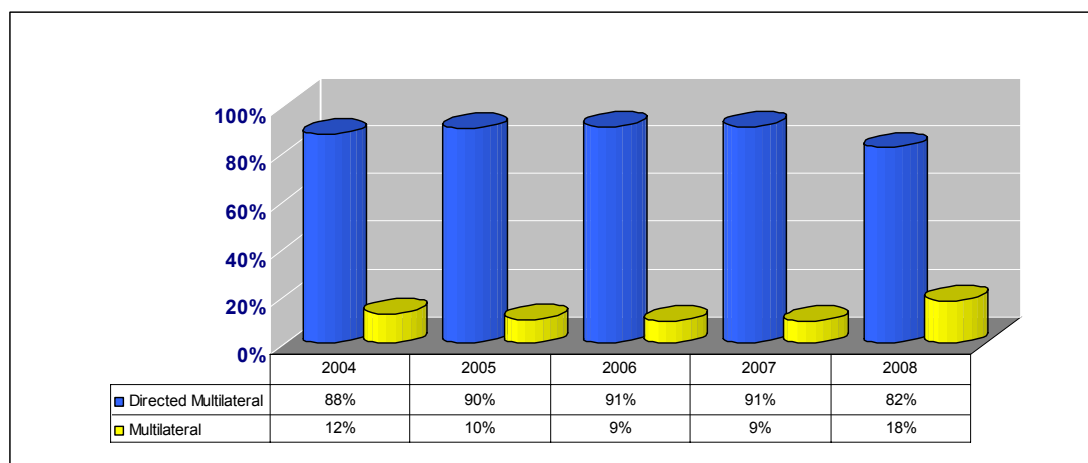
The Executive Director should commission an evaluation of the private sector fund-raising strategy and report thereon to the Executive Board by 2012 at the latest.

B. Earmarking of contributions

41. Another challenge for WFP is that about 90 per cent of its financial resources are earmarked ("directed multilateral" in WFP terminology). The donors indicate and direct, to some extent, the use of their financial support. Through interviews with representatives of major donor countries, the Inspectors were informed that an even stricter policy of earmarking would be followed. One representative told the Inspector frankly that their country recently stopped their long-time policy of giving free cash to WFP owing to the lack of transparency in the latter's use of resources.

42. Chart 3 shows contributions to WFP by type of pledges in recent years. With the exception of year 2008 (due to contributions from new donors), the earmarked contributions to WFP has remained at significant levels, thus imposing strong management constraints for WFP and potential distortion of programme priorities. In that context, the Inspectors believe that the SRAC will be able to help WFP to address some of these issues.

Chart 3: Directed multilateral and multilateral contributions to WFP, 2004–2008



Source: Data provided by WFP.

43. Earmarking is a delicate and sensitive issue, sometimes bearing political connotations. Joint efforts are needed from Executive Board members, donors and WFP secretariat. In the view of the Inspectors, WFP should endeavour to enhance transparency and assurance in resource allocation as well as to develop further communication with donors in order to reduce earmarking of contributions.

44. Furthermore, the current categorization of WFP operations,¹⁵ especially that of the Protracted Relief and Recovery Operations (PRRO), raises some issues in terms of definition and labelling. Too often, this broad label for PRRO corresponds to a myriad of situations, which generates confusion and lack of transparency. Senior officials also concur that the category is too complicated and that PRRO represent more than 60 per cent of WFP projects. The Inspectors were informed that the Executive Board will specifically address the way in which programme activities are described. They hope that the review of labelling and definitions of WFP programmes will build greater trust and confidence in its operations.

The implementation of the following recommendation is expected to enhance the effectiveness of the Programme.

Recommendation 3

In the review of the WFP financial framework, the Executive Director should continue to take appropriate measures to enhance transparency in the resource allocation of multilateral contributions by reviewing the current categorization of operations, in particular the PRRO category, and report thereon to the Executive Board.

C. Full cost recovery principle

45. General Regulations XIII.3 stipulates that “Except as otherwise provided in such general rules in respect of developing countries, countries with economies in transition and other non-traditional donors, or in respect of other exceptional situations, each donor shall provide cash contributions sufficient to cover the full operational and support costs of its contributions”. In the Inspectors’ view, several issues may arise with the full cost recovery principle.

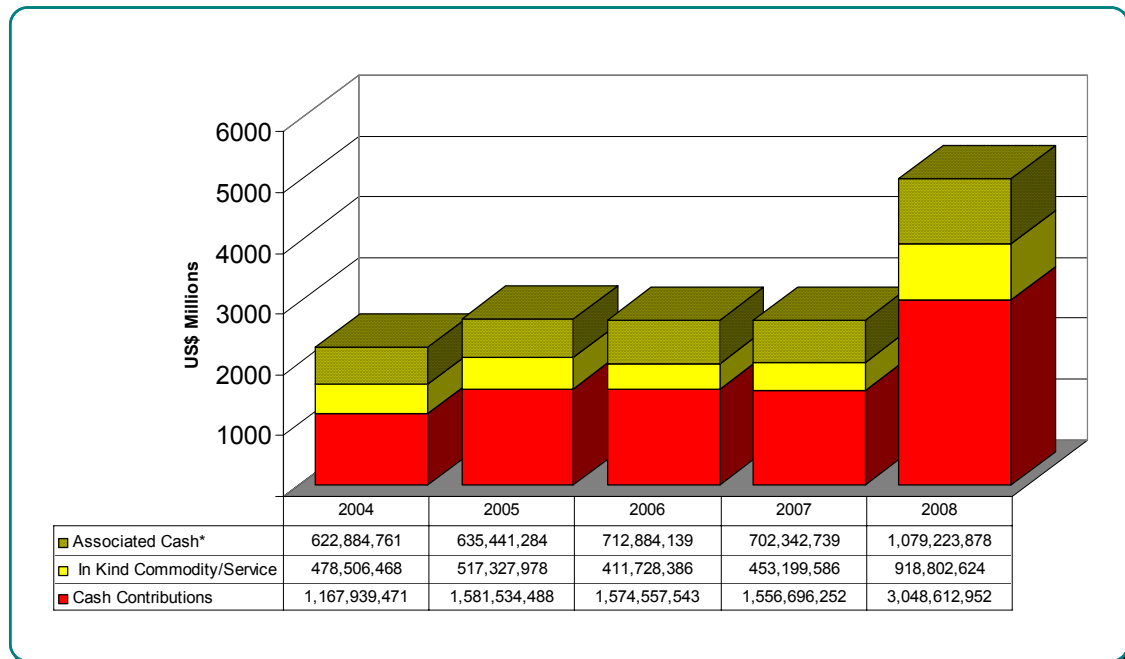
46. One is that it could limit the ability of potential donors to donate to WFP. Some countries produce enough food for their own population but may not be able to afford the cost of donating other than the food. In many instances, the cost other than food might be more expensive than the food itself. WFP gave several examples. One concerns a large developing country having surplus food that succeeded in donating only after one western developed country stepped in with the financial contribution of full costs other than food.

47. The second is that the full cost recovery principle was formally adopted in the mid-1990s, when the bulk of WFP activities were food-oriented and donations in kind were more significant. The emergence of new donors and the trend towards more cash donations may generate a different approach.

48. Third, the type of activities implied by the strategic shift “from food aid to food assistance”, such as vouchers or cash distribution, may not be as compatible with the principle. WFP needs innovative financial and managerial tools that measure food benefits beyond metric tonnage of delivery.

49. Chart 4 shows the evolution of the nature of contributions made to the Programme. Both in kind and cash contributions have increased over the years but in different proportions. Also, the ratio between the associated cash and the in kind commodity/services has evolved in a significant manner.

¹⁵ WFP operations are currently categorized into four categories: Emergency Operations (EMOP), Protracted Relief and Recovery Operations (PRRO), Development (DEV) and Special Operations (SO).

Chart 4: In kind and cash contributions to WFP, 2004–2008

Source: Data provided by WFP.

*Associated cash refers to cash provided with in-kind commodity/service to cover the associated costs.

The implementation of the following recommendation is expected to enhance the effectiveness of the Programme.

Recommendation 4

In the review of the WFP financial framework, the Executive Board should re-evaluate the relevance of the full cost recovery principle to ensure that it remains adequate in the current context of the Programme's new strategic direction, the evolution of its activities and the types of contributions it receives.

D. Trust funds and special accounts

50. In recent years, special accounts have grown in size, both in number and amount. Several key WFP operational activities, such as the United Nations Humanitarian Air Service (UNHAS) or the Global Vehicle Leasing are carried out through these accounts. There is no legal requirement to have the acceptance of the Executive Board to create and manage a special account; however, a reporting obligation is understood to exist. There is a need for more formal governance arrangements on these accounts. WFP is aware of this and is working on it.¹⁶

51. Until recently, a Committee on Extra-Budgetary Resources has played an important role in providing oversight for these resources and ensuring that the funded activities supported overall WFP priorities. The majority of trust funds are managed centrally at headquarters and country-specific trust funds are managed directly by the country offices where they are established. The Inspectors were informed that the SRAC will now assume the responsibility for the allocation of these resources as well.

¹⁶ See WFP/EB.2/2007/5-A/1, paragraph 82 and following.

E. Financial statements

52. The External Auditor has consistently rendered unqualified audit opinion on WFP financial statements for the biennia 2002–2003, 2004–2005 and 2006–2007. The Inspectors commend WFP for being the first United Nations system entity to have prepared its Audited Annual Accounts for the year 2008 in compliance with international public sector accounting standards (IPSAS), and for receiving an unqualified audit opinion¹⁷ for these financial statements, which were also approved by the Executive Board (decision 2009/EB.A/4).

V. A DECADE AFTER DECENTRALIZATION

53. WFP started its decentralization process in early 1997. The main purpose of decentralization was to bring authority, responsibility for decision-making and senior staff and specialists closer to its field operations and activities. As a result, country offices were strengthened in terms of personnel and resources, and an intermediate level in the form of regional bureaux was set up between headquarters and country levels, thus creating a three-tier administrative structure.¹⁸

54. The role and responsibilities of Rome headquarters were modified in such a way that the prime function was to provide normative guidance and advice and support services to field entities.¹⁹ Regional bureaux²⁰ received overall oversight responsibility over country offices as well as the role as provider of technical and administrative support. Country offices became major front-line actors in the preparation and implementation of operations, linked with accountability for the resources entrusted to these operations.

A. Present status of decentralization

55. During interviews, the Inspectors collected comments regarding positive elements resulting from the decentralization, such as (a) the transfer of programme officers' expertise closer to operations ensured that programme design was based on better regional awareness and perspective (cultural, economic, political contexts thus having strong return in effectiveness), (b) the existence of decision-making capacity in technical and administrative support functions such as human resources, procurement, finance, public information, etc., improved client orientation and secured better knowledge of local and regional markets (human resources characteristics and practices, market commodities, contract customs), and (c) the spread presence and related authority solved a number of practical issues such as time difference, languages, etc. Another much-mentioned aspect related to the opportunity to strengthen relationships with governments and partners in the region or country of action, thereby better integrating regional perspectives into WFP's actions.

56. During interviews, one suggestion for improvement was often mentioned: after more than a decade the three-tier structure needed further streamlining. The Inspectors were given some concrete examples of bypassing, overlapping, duplications and conflicting requests.

¹⁷ See WFP/EB.A/2009/6-A/1.

¹⁸ In 2007, the External Auditor extensively reviewed the WFP decentralization process and structure under the title "Has Decentralization Met the World Food Programme's Operational Needs?" (WFP/EB.2/2007/5-C/1) and in September 2003, an OEDE-hired consultant produced a report on decentralization at WFP under the title "Full Report of the Review of WFP's Decentralization Initiative", issued as Ref. OEDE/2003/04.

¹⁹ See WFP/EB.1/2002/9 for a description of the evolution and its conditions, paragraphs. 180-181.

²⁰ See Annex I to this report.

WFP senior management is aware of the necessity of reviewing the roles and functions of the regional offices versus the different divisions within headquarters. It has taken initial measures to address the problems of the three-tier structure from a strategic point of view.

57. As a matter of fact, numerous internal/external studies and working papers on decentralization were prepared. Their findings, including key issues and questions that were raised, remain largely pertinent and relevant in today's circumstances and should still serve as a reference point for WFP. In particular, they tackle issues such as the definition of the role and responsibilities of, and the delegation of authority to, each decentralized entity; the repartition and alignment of resources for technical and administrative support activities; and the establishment of control and accountability mechanisms. The costs implications, in particular those of human resources aspects, should also be assessed.

The implementation of the following recommendation is expected to enhance the efficiency of the Programme.

Recommendation 5

The Executive Board should request the Executive Director to undertake an extensive study on overlaps and gaps in support and administrative functions between the different levels of the WFP's decentralized structure and report thereon to the Executive Board by 2011 at the latest.

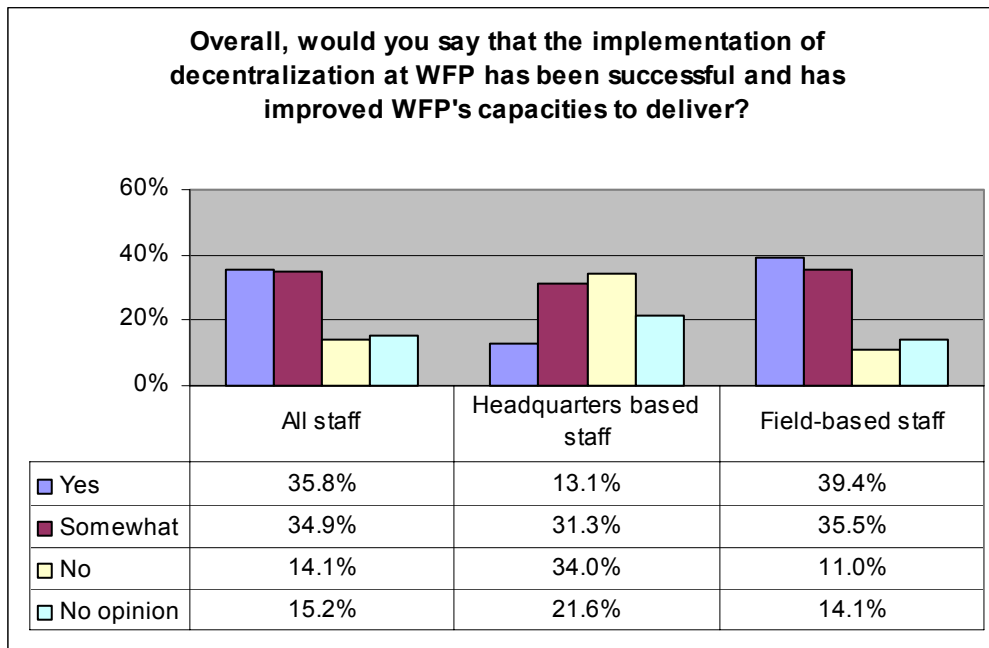
B. Difference in assessment in headquarters and field perspectives

58. In this report, the Inspectors focus on several aspects that emphasize how decentralization is perceived through the Programme.

59. Interviews with senior managers, both at headquarters and in the field, revealed a positive overall assessment of the decentralization process, in particular among regional directors and country directors. Representatives of Member States who were interviewed welcomed the current organizational structure. Throughout the survey, positive views were also expressed.

60. However, filtered analysis disclosed divided and contrasting opinions between staff working at headquarters and those working in the field. Field employees consider decentralization to be successfully implemented and contributing to the Programme's improved capacity to deliver, while at headquarters the assessment is more doubtful. The Inspectors are concerned by this difference of assessment among the WFP workforce.

Chart 5: Opinion of WFP employees regarding decentralization, based on JIU survey 2009



Source: JIU survey 2009

61. For a decentralized organization like WFP, which often operates under urgent situations and engages in life-saving activities, strong coordination and cooperation mechanisms are of vital importance. Multiple institutionalized or informal coordination mechanisms between all levels were described to the Inspectors, among them: (a) regional directors visits to headquarters four times a year (during Executive Board meetings and for reassignment exercise); (b) weekly conference calls between regional directors and headquarters; (c) well documented WFP Internet and Intranet; (d) assignment of a regional bureau liaison officer at headquarters; (e) annual regional meetings of country directors, with regional bureau and headquarters representation; (f) visit of regional directors to country offices; and (g) annual technical meeting (regional bureau officer meeting with country office counterpart, focusing on technical areas such as human resources, finance, etc.). All these mechanisms concern either operational aspects of WFP activities, strategic senior management decisions, or the exchange of information in technical areas.

62. In general, coordination mechanisms were found satisfactory by interviewees. They involve, however, significant travel and telecommunications costs and raise some connectivity issues such as those experienced by the Inspectors during videoconferences with various regional bureaux. But this assessment is contradicted by the results of the survey, in which coordination and cooperation are severely questioned in general terms.

63. Table 2 illustrates the perception of employees concerning coordination and cooperation at various levels of the administrative structure. This suggests that there is certainly room for improvement in coordination and cooperation mechanisms, especially among the departments at headquarters.

Table 2: Opinion of WFP employees regarding coordination and cooperation issues, based on JIU survey 2009

	Yes (%)	Somewhat (%)	No (%)	No opinion (%)
Do you consider that the level of coordination and cooperation between headquarters / regional bureau and country office is adequate?				
All employees	27.4	38.6	17.8	16.2
International professional staff only	11.4	48.5	35.8	4.3
Headquarters staff	9.6	45.8	30.6	14.0
Field staff	30.2	37.5	15.8	16.5
Do you consider there is sufficient coordination and cooperation among departments / divisions / units at WFP?				
All employees	26.9	42.8	28.9	1.4
International professional staff only	11.5	44.8	43.6	0.1
Headquarters staff	8.5	39.4	49.9	2.2
Field staff	29.8	43.4	25.5	1.3

Source: JIU survey 2009.

64. The Inspectors noted that regional bureaux have not institutionalized mechanisms to collect feedback and satisfaction assessment of their services provided to country offices. Most of the regional directors considered the annual regional country directors meeting to be the proper occasion on which to assess support and service quality. They also mentioned regular, informal contact between regional directors and country directors as a context in which to express (dis)satisfaction. Keeping in mind that comment on support and guidance expressed are usually positive, the Inspectors consider that institutionalized feedback could contribute to better services and knowledge sharing in the programme.

VI. HUMAN RESOURCES MANAGEMENT

65. In October 2008, WFP adopted a comprehensive human resources strategy for the period of 2008–2011.²¹ It was developed under three main axes: “being responsive”, “building workforce capacity” and “fostering partnership”. The strategy aims at linking the human resources policies of the Programme with the objectives of its strategic plan. Some measures have been initiated, in particular the review of career management policies and practices, as well as the launching of an ambitious competency-based leadership programme targeting country directors and their deputies.

66. WFP’s strategic shift from aid to assistance entails a number of consequences for human resources issues, notably in terms of competencies and profile of the workforce, in particular those of managers. This means a shift from effective operational and logistical skills to more developed analysis, outreach and managerial capacities, and certainly represents a challenge ahead for the Programme.

67. Opinions on human resources issues that were collected through the staff survey raise real concerns for the Inspectors. The subjects that were surveyed proved to be highly sensitive and might create potential frustration among staff, eventually disserving the organization.

Table 3: Opinion of WFP employees regarding human resources issues, based on JIU survey 2009

	Yes (%)	Somewhat (%)	No (%)	No opinion (%)
Does WFP have clear written policies and procedures?	40.7	32	18.4	8.8
In your views, are WFP human resources policies implemented in a consistent and fair manner?	17.8	32.8	41.1	8.3
In your views, is WFP recruitment policy fair and transparent?	25.5	32.6	34.9	6.9
In your views, is WFP promotion practice transparent and based on objective performance-related considerations?	15.2	25.9	46.3	12.7

Source: JIU survey 2009

A. Composition of the WFP workforce

68. Table 4 illustrates the high level of decentralization in the WFP workforce, with about 10 per cent of people located at headquarters and 90 per cent deployed in the field. International professional staff amount to nearly 10 per cent of the entire workforce, with about one third being based at headquarters and two thirds located in regional bureaux or country offices. The majority of field staff is hired as either service contractors (a few P but largely GS) or under Special Services Agreements (a few P but largely GS). Table 4 also highlights the fact that while both headquarters and field workforces have increased, headquarters staffing has increased slightly more than field-deployed people.

²¹WFP/EB.2/2008/4-C.

Table 4: WFP employees for the years 2004 and 2008

	2004	2008	2004 (%)	2008 (%)	Change in percentage
Headquarters staff	1,052	1,176	9.6	9.9	+ 11.8
International Professional Staff (including short term)	439	470	-	-	+ 7.1
General Service (including short term)	428	418	-	-	- 2.3
Consultants	159	224	-	-	+ 40.9
Special Service Agreement	5	3	-	-	- 40.0
Other (JPO, Intern, Volunteer, etc.)	21	61	-	-	+ 190.5
Field staff	9,797	10,658	89.8	89.5	+ 8.8
International Professional Staff (including short term)	707	772	-	-	+ 9.2
National officers	299	451	-	-	+ 50.8
General Service (including short term)	1,258	2,045	-	-	+ 62.6
Consultants	153	201	-	-	+ 31.4
Service contractors	5,540	5,896	-	-	+ 6.4
Special Service Agreement	1,625	1,079	-	-	- 33.6
Other (JPO, Intern, Volunteer, etc.)	215	214	-	-	- 0.5
Special status	57	75	0.5	0.6	+ 0.1
Total employees	10,906	11,909	-	-	+ 9.2

Source: Data consolidated on basis of figures provided by WFP.

B. Gender balance

69. WFP defined its target in line with United Nations General Assembly resolutions at 50 per cent of women in WFP, with particular attention given to senior levels as stressed by the Executive Board.²²

70. Table 5 shows that as of 31 December 2008, women represent 39.9 per cent of professional staff in WFP and 33.2 per cent at the senior professional level. These levels remain below the defined targets but are slightly above the United Nations system average. While acknowledging the efforts made by WFP to increase the level of women from 24.2 per cent in 1995 to the present 39.9 per cent,²³ the Inspectors have to point out that the percentage has remained more or less unchanged since 2004.

Table 5: Gender distribution in WFP at professional level and above for the years 2004 and 2008

	2004	2008	2004 (%)	2008 (%)
All professional staff				
Female	459	499	39.8	39.9
Male	695	752	60.2	60.1
Senior professional staff (P5) and above				
Female	95	110	30.3	33.2
Male	219	221	69.7	66.8

Source: Data provided by WFP.

71. The 2008 human resources strategy addresses the issue of increasing the representation of women through recruitment targets of 60 per cent of all professional staff and 40 per cent of senior professional and country director staff by 2011. Recruitment figures

²² See WFP/EB.2/2007/4-B.

²³ See WFP/EB.A/2009/13-C, paragraph 3.

presented in Table 6 demonstrates the need for further improvement at the senior professional level. For the years 2004 to 2008, recruitment of female candidates to senior positions averaged 31.7 per cent.

Table 6: Gender distribution of recruitment at professional level and above for the years 2004 and 2008

	2004	2008	2004 (%)	2008 (%)
All professional staff				
Female	95	42	44.4	47.7
Male	119	46	55.6	52.3
Senior professional staff (P5) and above				
Female	6	2	30	25
Male	14	6	70	75

Source: Data provided by WFP.

72. During interviews, WFP recognized the challenges in attracting and more specifically in retaining competent women. The Inspectors are conscious that the issue of gender balance should also be scrutinized in the context of working conditions prevailing in many WFP duty stations (often insecure environments or stations categorized as hardship non-family locations). The Executive Director should nonetheless continue undertaking measures to ensure compliance with gender balance targets at the professional level and above, paying specific attention to the senior management level.

C. Geographical distribution

73. There are differences in addressing the issue of geographical distribution in organizations relying primarily on assessed contributions and those funded by voluntary contributions such as WFP.²⁴ “WFP does not apply quotas to maintain equitable geographical representation among its staff” but applies a principle known as the “WFP Informal Formula”²⁵, by which 60 per cent of the international posts are allocated to major donor countries²⁶. (Out of this, a maximum of 20 percent has been allocated to the United States as the largest contributor, regardless of its contribution percentage.) Forty per cent of international staff is allocated to other countries.

74. WFP defined its target at 40 per cent of nationals from developing countries in its international professional staff, with particular attention paid to senior levels.²⁷

75. Table 7 shows that the overall level of nationals from developing countries in WFP as of 31 December 2008 reaches 43.7 per cent but, at senior level, it stagnates at about 29.9 per cent. What causes concern to the Inspectors is that the recruitment trend of nationals from developing countries is actually decreasing compared to 2004, particularly for senior positions.

²⁴ See JIU comparative study of the methods of calculating equitable geographical distribution in the United Nations system, JIU/REP/96/7.

²⁵ See WFP/EB.1/2004/4-B/Rev.1, paragraph 14 and following.

²⁶ In this context, a major donor is defined as one whose contribution has averaged more than US\$ 2 million a year over the preceding four years.

²⁷ See WFP/EB.2/2007/4-B.

Table 7: Geographical distribution in WFP at professional level and above for the years 2004 and 2008²⁸

	2004	2008	2004 (%)	2008 (%)
All professional staff				
Staff from developing countries (List A, List B and List C)	485	547	42.0	43.7
Staff from developed countries (List D and List E)	669	704	58.0	56.3
Senior professional staff (P5) and above				
Staff from developing countries (List A, List B and List C)	98	99	31.2	29.9
Staff from developed countries (List D and List E)	216	232	68.8	70.1

Source: Data consolidated on basis of figures provided by WFP.

Table 8: Geographical distribution of recruitment at professional level and above for the years 2004 and 2008

	2004	2008	2004 (%)	2008 (%)
All professional staff				
Staff from developing countries (List A, List B and List C)	101	29	47.2	33.0
Staff from developed countries (List D and List E)	113	59	52.8	67.0
Senior professional staff (P5) and above				
Staff from developing countries (List A, List B and List C)	7	2	35	25.0
Staff from developed countries (List D and List E)	13	6	65	75.0

Source: Data consolidated on basis of figures provided by WFP.

The implementation of the following recommendation is expected to enhance geographical representation at WFP.

Recommendation 6

The Executive Director should undertake measures to increase representation of developing countries at the senior management level within the Programme.

D. Reassignment, rotation and mobility exercise

76. There is an established practice in WFP of the reassignment, rotation and mobility exercise (RRM) for international professional staff and higher categories which is generally supported by both managers and the staff. The fact that WFP professionals are mobile is confirmed by information on seniority collected through the survey: 48.8 per cent of internationals occupy their current position for less than 3 years and almost 80 per cent for less than 5 years. The current policy governing the mobility exercise was described in 2005.²⁹

²⁸ List A (Africa), List B (Asia and the Middle-East), List C (Latin America and the Caribbean), List D (North America, Western Europe, Japan, Australian and New Zealand) and List E (Eastern Europe).

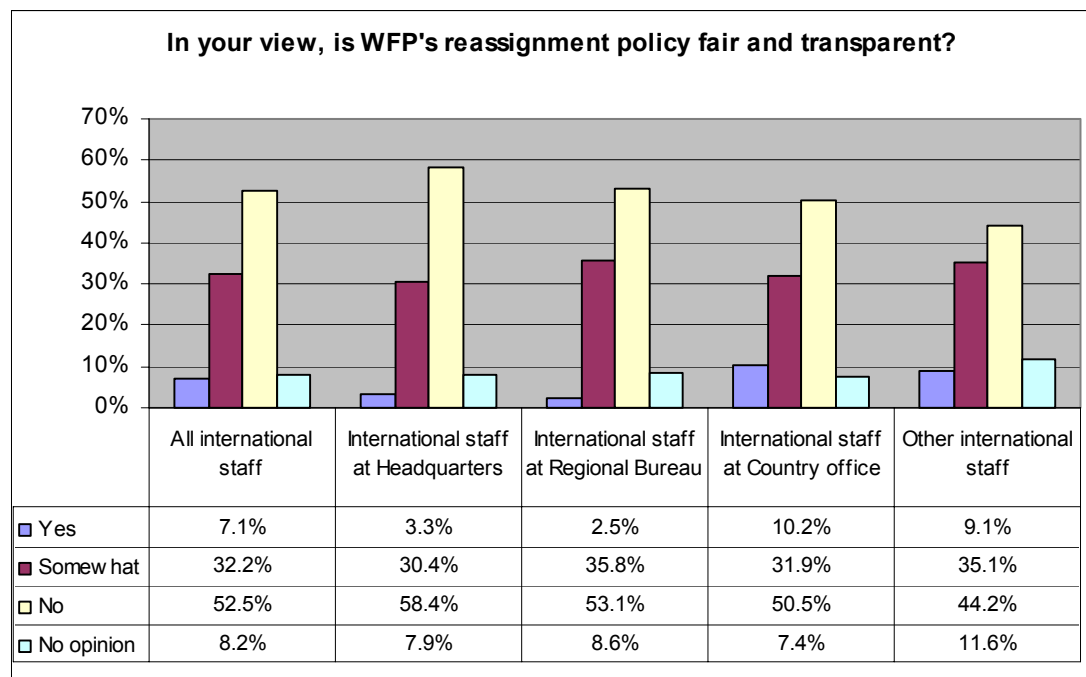
²⁹ "WFP Human Resources Policy Document on Reassignment, Rotation and Mobility of International Professional and Higher Category Staff" issued by the Human Resources Division, October 2005.

77. RRM takes place once a year and covers around 250 staff members, which represents about one fifth of professionals. As WFP estimates the average reassignment cost per individual at US\$ 33,239, it represents a yearly estimation of roughly US \$8,309,000.

78. RRM is conducted through the regular staffing/reassignment committee or the senior staffing committee according to the level of the position concerned. The fact that committee members are mostly high-level officials triggered some comments on the need to diversify the composition of the committees. All committee members are subject to a confidentiality clause preventing them from discussing or informing staff on the content of discussions.

79. Both in interviews and survey responses, the Inspectors were exposed to some negative comments on how the process was implemented. The main problem areas seem to be: (a) a lack of communication due to the absence of sufficient explanation of reassignment decisions; (b) the confidentiality surrounding the process, inducing a perceived lack of fairness and transparency; (c) the fact that staff exposure (regular contacts with senior management) might influence reassignment decision; (d) the prevailing culture of personalized recruitment in which individual networking might have precedence; (e) the perception that certain positions were pre-reserved, etc. Chart 6 shows that all categories of international staff express serious doubts about the fairness and transparency of RRM.

Chart 6: Opinion of international WFP employees regarding RRM, based on JIU survey 2009



Source: JIU survey 2009.

80. Based on the specialization of skills, exceptions for reassignment might be granted. In 2006 and 2009, "extended mobility review exercises" were conducted by WFP. One similar review is foreseen in 2012.

81. The Inspectors fully understand the necessity of granting limited exceptions. However, the fact that the exceptions have considerably increased from 2006 to 2009³⁰ and that all positions concerned are located at Rome headquarters, possibly at the expense of hardship duty stations, has caught their attention. Moreover, in 2006, extended positions were mostly in the legal or oversight areas, while, in 2009, the scope of occupational groups is much wider.

82. Table 9 highlights some trends in terms of relocation of staff in the context of RRM. To achieve cohesion at the corporate level, the Inspectors insist on the need to ensure a fair rotation of managers and staff between headquarters and the field.

Table 9: Relocation of WFP international professionals through RRM for the years 2004 and 2008

	2004	2008	Change in percentage
Total relocated	344	429	+ 24.7
Relocated within same duty station	90	121	+ 34.4
Relocated to another duty station	254	308	+ 21.3
Relocated within Rome duty station	75	102	+ 36.0
Relocated from another duty station to Rome	58	47	- 19.0

Source: Data consolidated on basis of figures provided by WFP.

83. To conclude, the Inspectors concur that RRM is a delicate, sensitive and difficult exercise in terms of matching the right person in terms of skills, competencies and aspirations with the right post (in consideration of corporate interest and operational requirements), while ensuring both organizational effectiveness and career development. The Inspectors are concerned that, according to staff survey results, more than half of the international staff has serious doubts and negative views about the fairness and transparency of the RRM process. This illustrates that the current way of conducting the exercise needs improvement in terms of transparency, fairness and communication between management and staff. The Inspectors would simply add that these assertions are not new and were raised on several occasions in the past, but continue to exist, thereby creating doubts and frustration among staff.

84. The Inspectors were informed that a working group is currently reviewing the reassignment process. They urge WFP to seize this opportunity to make some progress on this issue.

The implementation of the following recommendation is expected to enhance the effectiveness of the Programme.

Recommendation 7

The Executive Director should review the RRM policy and report to the Executive Board by 2011 at the latest on ways and measures by which to increase communication with staff and improve fairness and transparency of the process.

³⁰ Respectively, 15 positions (2006) and 47 positions (2009) were identified as “exceptionally requiring a longer assignment beyond the regular rotation cycle”.

E. Exceptional promotions

85. As described in the policy document,³¹ international professionals (P2–P5) are promoted through an annual promotion review. However, the Executive Director retains the power to make exceptional promotions outside the annual exercise. During the period of 2004–2008, 12 such promotions took place. The Inspectors noticed that these promotions are less frequent now, with only three cases occurring since 2006. Nevertheless, in keeping with previous JIU recommendations, the Inspectors find the practice of granting exceptional promotions to be contrary to the standards of fairness and transparency in the system of recruitment and promotion, particularly since a promotion exercise is conducted on an annual basis, and believe that the practice should be discontinued.

The implementation of the following recommendation is expected to enhance competitiveness, transparency and fairness with regard to promotions.

Recommendation 8

The Executive Director should discontinue the granting of exceptional promotions.

F. Use of consultants

86. The Inspectors noticed a steady augmentation of the number of consultants employed during the period of 2004–2008 (see Table 4): a 41 per cent increase at headquarters and a 31 per cent increase in the field. While the Inspectors are aware of the benefits to the organization of recruiting consultants in upgrading/downscaling scenarios, they remain concerned by the following issues: (a) the number of consultants employed at headquarters in 2008 represents a significant proportion of the workforce compared to professional posts; (b) WFP has no readily available data concerning the extension and duration of employment for consultants, as such data have to be extracted and compiled manually from the information system; (c) among the consultants who participated in the JIU online survey, 46.2 per cent of them declared a seniority of more than 3 years (and among them 7.1 per cent more than 10 years), which is clearly incompatible with consultancy missions; and (d) within the same audience, the Inspectors are particularly concerned about the fact that 56.5 per cent stated that their work and performance were not appraised regularly through an individual performance management system. Responding to this latter issue, WFP pointed to the existence of a quality assessment report to be filled out upon completion of each consultant's assignment. In order to clarify the overall conditions behind the recourse to consultants, the above-mentioned issues warrant further study.

The implementation of the following recommendation is expected to enhance compliance with existing United Nations administrative instructions and guidelines.

³¹ “WFP Human Resources Policy Document on Administrative Procedures for International Professional Staff” issued by the Human Resources Division, October 2003.

Recommendation 9

The Executive Director should present to the Executive Board at its annual session in 2011 at the latest a comprehensive study on the use of consultants within WFP (including cost implications) in order to ensure that that the organization is in full alignment with United Nations rules and regulations governing the recourse to consultancy.

G. Dual staff regulations and rules

87. The WFP workforce is subject either to FAO staff regulations and rules (international professionals, and GS recruited in Rome) or to the United Nations Development Programme (UNDP) staff regulations and rules (national, local or field-based staff). The Inspectors are concerned by the existence of two sets of governing regulations and rules. It means that within the same organization there coexist two different sets of status among staff, as well as two payroll systems, systems of justice, compensation mechanisms, insurance systems, and sets of disciplinary procedures, among others. As regulations and rules necessitated some changes and partial redrafting of the original FAO source to adapt to WFP specificities, areas of confusion might have emerged. WFP is currently assessing this situation, balancing the risks and efforts involved in changing the current situation.

H. Managers

88. In any decentralized structure, managerial capacities are key to the success of the organization's endeavours. This is particularly true for WFP in the context of its new strategic direction. In this area some concerns were previously expressed: "a more robust process is needed to identify and prepare future leaders long before they take on senior positions. This needs to be complemented by a competitive process for selecting them for higher-level positions."³²

89. In the broader context of a rank-in-person system, the career path leading to managerial positions should be studied in more detail. The combination of the prescribed rotation and the annual promotion exercise may result in the promotion of personnel with high technical expertise but not necessarily the preparation for, or an interest in, managing people. Significant efforts have been made to enhance supervisory skills and managerial capacity within the Programme. In the view of the Inspectors, such training should be offered to all categories of staff that have to assume managerial responsibilities within the organization, therefore anticipating their future role as senior managers. There should also be an opportunity for all staff to become acquainted with and understand the roles and responsibilities of managers.

I. Staff representation

90. At WFP, the Inspectors discovered a complex situation regarding staff representation. There coexist several representation modalities: the Professional Staff Association (PSA), which serves the interests of international professional staff across the entire Programme (headquarters and field offices); the Union of General Service Staff (UGSS) common with FAO represents GS staff at headquarters (GS field based, upon request only); some field staff with fixed-term status are represented through UNDP association. The Inspectors also noted

³² WFP/EB.2/2008/4-C, paragraph 34.

that a vast number of WFP employees hired as service contractors or as SSA have no representation.

91. Throughout the interviews, requests to strengthen communication and dialogue between management and staff arose repeatedly. The JIU survey also flags management–staff communication as an area for improvement. The Inspectors understand that some provisions of the staff regulations currently provide access by staff associations to the Executive Board under exceptional circumstances; however, they believe that staff access should be further institutionalized, through the modification of existing regulations if necessary, to provide greater opportunities for staff to convey their views and concerns to management.

The implementation of the following recommendation is expected to encourage best practices in the area of communication between management and staff.

Recommendation 10

The Executive Board should institutionalize ways to hear the views and concerns of staff through their respective representation at its annual session, beginning in 2010.

VII. OVERSIGHT

92. During their review, the Inspectors found a comprehensive oversight framework composed of internal audit, inspection and investigation functions in the Inspector General and Oversight Division (OSD) and evaluation capacities in the Office of Evaluation (OEDE). These were supplemented by external mechanisms such as the External Auditor or the Audit Committee under its new terms of reference (see annex II). Indeed, owing to the decentralized structure of the Programme, the nature of its activities and the peculiarity of its funding model, oversight functions are of primary corporate importance for WFP.

93. While in the past all oversight functions were consolidated into one entity, the current administrative organization does not appear in line with previous JIU recommendations to consolidate all four oversight functions, namely audit, inspection, investigation and evaluation, into a single internal oversight division under one head who would report directly to the executive head.³³

94. The Inspectors noted with satisfaction that, in the recent years, both OSD and OEDE have undergone external qualitative assessment or peer review. They encourage the respective entities to conduct such an assessment exercise on a regular basis.

³³ See JIU/REP/2006/2.

A. Evaluation

95. In October 2008, the Executive Board adopted a new evaluation policy to continue to reinforce evaluation functions and related products in terms of independence, credibility and utility.³⁴ Table 10 highlights some of the elements of the policy.

Table 10: Types of evaluation in 2008 Evaluation Policy

Type of evaluations	By biennium	Criteria for selection	Conducted by
Strategic/thematic	3–4	Consultative qualitative process	OEDE
Country portfolio	3	Under development	OEDE
Single operations/project/programme	60	Balance in geographical representation, project or programme categories, and size of operation	OEDE or decentralized
Real time	Ad hoc	EMOP operations only	OEDE

96. The Inspectors noted with satisfaction that emphasis was placed on strategic evaluations involving senior managers, country and regional directors, and other stakeholders, with a view to identifying the most relevant and useful undertakings for the organization. The opinions of Executive Board members were also incorporated through consultations. In the same vein, the Inspectors also want to insist on the participation of OEDE representatives in the Programme Review Committee (PRC), as that, in their view, would create the proper conditions by which to integrate the results of the evaluations into future operations design.

97. The evaluation policy places considerable importance on decentralized evaluations, defined as the evaluation of single operations managed by a regional bureau or country office. Several problematic areas have been highlighted in the past in terms of independence, data collection and comparability issues, the quality and consistency of reports, lack of resources at the local level, etc. Measures have been taken to enhance regional bureau and country office capacities regarding these matters. The Inspectors have some doubt about the capacity of the decentralized entities to assume such responsibilities in the long term, both in terms of human and financial resources or time, without adequate corrective measures. Already, the envisioned self-evaluations are not being currently performed for ongoing projects.

98. To ensure a combination of evaluation expertise and knowledge of WFP operations, as stated in WFP evaluation policy³⁵, the OEDE staffing profile combines professional and experienced evaluators recruited externally with internal staff who possess relevant qualifications.

B. Audit, inspection and investigation

99. In 2005, the Executive Director approved the OSD Charter, which was shared with the Executive Board.³⁶ According to the Charter, the OSD mission is “to provide the Executive Director independent and objective assurance, investigation and consulting services designed to add value and improve WFP operations”.

100. The OSD Charter provides that “[t]he Executive Director will ensure that OSD is provided with the necessary resources in terms of appropriate staffing, adequate funds and

³⁴ WFP/EB.2/2008/4-A.

³⁵ WFP/EB.2/2008/4-A.

³⁶ ED2005/007.

appropriate training to achieve its mission and maintain its independence”.³⁷ The 2008 staffing table includes 20 professionals and 10 GS staff, which appear to fall short of mandate expectations. As already stated by the Audit Committee, the Inspectors consider the issue of adequate OSD resources to be deserving of continued attention.³⁸

101. As of 2005, OSD created a system for monitoring the implementation of its recommendations to gauge the level of management response. The Inspectors welcome this follow-up mechanism as an important element in fulfilling the OSD mission. As for the audit activities, the Inspectors noted that most recommendations concern “compliance issues” in an organizational context in which “WFP’s work in emergency situations... place[s] more stress on compliance with prescribed rules and procedures. It is important that management examine whether existing rules, regulations and procedures are appropriate for emergency situations.”³⁹

102. OSD has not decentralized the audit function yet. Local consultants are hired as team members to process audits in regional bureaux or country offices. Given WFP’s decentralized character, the Inspectors believe it would be a potential improvement to have internal audit officers at the regional level.

C. Audit committee

103. WFP has had an Audit Committee for many years. There has been a long standing debate regarding its composition, that is, whether it should be composed of only WFP senior staff members, also include external members, or be composed solely of external members. In 2009, the terms of reference for a revamped Audit Committee are based on the statement that “the audit or independent oversight committee is an essential element of good governance and is important in assisting the governing body in discharging its oversight responsibilities”. The Executive Board endorsed the creation of the WFP Audit Committee as an independent advisory body reporting to the Board, composed only of external members.⁴⁰ A review of the experience with the Audit Committee is to be presented to the Executive Board in June 2010.

VIII. OTHER ISSUES

A. Security and safety

104. WFP often operates under highly difficult and dangerous circumstances in the field, especially since the United Nations became the target of various threats, in particular of terrorist attacks. The Inspectors are satisfied that security and safety issues enjoy great concern and top-priority support from both the Executive Board and the Executive Director. Since 2007, WFP has reported on security issues to the Board, supplementing the report of the United Nations Secretary-General to the United Nations General Assembly on United Nations personnel. Staff also seem very alert on security issues and receptive to training and to the adoption of security measures.

105. WFP has a Corporate Security Management Policy incorporating accountability principles in line with United Nations policies, practices and procedures.⁴¹ WFP is well

³⁷ ED2005/007.

³⁸ WFP/EB.A/2009/6-G/1/Rev.1, paragraph 26.

³⁹ WFP/EB.A/2006/6-F/1, paragraph 39.

⁴⁰ Executive Board decision 2009/EB.1/7.

⁴¹ ED2003/001.

integrated into the United Nations security network through the Inter-Agency Security Management Network (IASMN). However, WFP sometimes needs more than the security coverage offered by the United Nations Department of Safety and Security (UNDSS) and thus maintains its own security officers on the ground in 21 countries to address safety concerns of WFP. The Inspectors were informed that the number of international security officers has increased from 38 to 56 in recent years.

106. In 2007, WFP regional security officers were replaced. Instead, three senior security advisers have been appointed at headquarters to coordinate security activities in the field. The discontinuation of security officers at the regional level does not stay in line with the overall WFP risk assessment strategy and risks prevention/mitigation approach for security matters. During interviews with the Director of Security Services Division and Directors of the regional bureaux, the Inspectors were eloquently persuaded that restoration of the security posts in regional bureaux was necessary and beneficial for increasing the safety and security for WFP employees. As security situations are not identical in all regions, security posts should be restored first in those regions where they are most needed.

Table 11: Opinion of WFP employees regarding security issues, based on JIU survey, 2009

Are you concerned by the security situation at your duty station?	Yes (%)	Somewhat (%)	No (%)	No opinion (%)
All staff	29.3	20.1	47.5	3.1
Headquarters staff	8.5	10.8	73.0	7.6
Field staff	46.0	17.7	34.7	1.6

The implementation of the following recommendation is expected to enhance security and safety of WFP employees.

Recommendation 11

The Executive Director, after consultation with Regional Directors, should consider reinstallation of security officers in regional bureaux where it deems necessary.

107. In terms of the United Nations collective security mechanism, WFP has stated a number of times that security costs should be financed through the United Nations regular budget and not through funds and programmes that rely on voluntary contributions, on which they would place additional burden. The current headcount financing principles for security arrangements heavily impacts WFP, as it has more field-deployed employees in the United Nations system. For WFP, these costs have increased significantly in the last 10 years.⁴² Its share increased from US\$ 6.5 million to US\$ 25 million for 2008–2009. WFP has to cover about 10 per cent of United Nations system security expenditures. The Inspectors withhold any recommendations concerning this, since the issue is currently under review at the United

⁴² In March 2007, a Technical Working Group on Cost-Sharing of the United Nations Security Management System (UNSMS), chaired by WFP, produced a report (CEB/2007/HLCM/5) reviewing the cost-sharing formula to ensure that it is fair, transparent and based on objective parameters. The working group recognized some limitations in the formula but agreed that apportionment by headcount – percentage of field staff – was currently the most equitable way of sharing UNDSS field costs, and therefore recommended that HLCM proceed with a more comprehensive project that examines the issue globally, before the 2010 – 2011 biennium.

Nations System Chief Executives Board for Coordination (CEB) at the time this report was drafted.

B. Humanitarian Air Service

108. The JIU undertook a review of UNHAS in 2008 with the objective of improving its effectiveness and efficiency and the capacity of WFP to administer impartially the United Nations humanitarian and other air operations.⁴³ The Executive Director reported to the Executive Board at its first session in 2009 that, out of the 12 recommendations, eight were accepted and others were under consideration or already implemented. The Board took note of the report in its decision 2009/EB.1/15.⁴⁴ The Inspectors encourage the Executive Director to continue efforts on the implementation of the recommendations, in particular recommendations 1, 2, 3 and 5 contained in JIU/NOTE/2008/3.

C. Common services among Rome-based agencies

109. In addition to operational partnerships, FAO, the International Fund for Agricultural Development (IFAD) and WFP reaffirmed in 2009 their commitment to increased collaboration on administrative, back-office and business processes, based on feasibility and cost-benefits studies, in areas such as human resources, procurement, finance, mailing activities, travel management, etc.⁴⁵ This is the continuation of a process launched in 2007 with the establishment of an Inter-Institution Coordination Committee composed of the Heads of Administration and Finance Departments and Heads of Units responsible for inter-agency affairs, with rotational presidency.

110. The Inspectors welcome and commend the process and are looking forward to seeing further developments. Recording the self-assessment made by the organizations on their accomplishments since 2007, the Inspectors encourage further reporting to assess and measure efficiency and effectiveness in activities in common, enhancement or financial savings generated by such collaboration.

D. Conference services

111. The secretariat of the Executive Board maintains minimal in-house staffing that is expanded by external support and through outsourcing during the governing body sessions in order to fulfil the requirements of all conference services. Contractual arrangements for hiring additional resources such as interpreters, translators, and messengers are handled directly without the support of the human resources division.

112. WFP developed standard servicing-activity costs for most of their event/activity-types: Executive Board meetings, informal consultations, seminars, induction briefings, special sessions of the finance committee and Board field visits. Costs are monitored compared with standard costs to verify and adjust assumptions, which are usually correct.

113. Regarding official documentation, the Inspectors recognize the improvement in preparing documents for the Executive Board, including enhancements in terms of structure, such as the inclusion of an executive summary as well as a proposal for a draft decision of the governing body as recommended by the WGG. At the same time, the Inspectors also noticed

⁴³ See JIU/NOTE/2008/3.

⁴⁴ WFP/EB.1/2009/13 + Corr.1.

⁴⁵ See a list of current or envisioned areas of cooperation in WFP/EB.A/2009/12-A.

that some documents are still extremely detailed and sometimes repetitive, making the yearly total of pages close to two thousand.

E. Information and Communication Technology (ICT)

114. The WFP Information Network and Global System (WINGS) is an integrated system handling a wide range of the financial and administrative operations supporting WFP corporate business processes.

115. The Inspectors congratulate WFP on the release of WINGS II in July 2009 and trust that it will upgrade WFP information system capacities and business process so as to enhance the effectiveness and efficiency of the organization.

116. In such an organization as WFP (decentralized, field oriented and highly responsive), ICT is key to ensuring the successful implementation of business processes. The Inspectors were told that the main ICT challenge is now related to improving the automation of processes and flows by reducing human manipulation. The Inspectors encourage WFP to continue to work in that direction, entailing potential gains such as (a) enhancing quality in terms of gathering, analysing, exchanging data or reporting and (b) increasing costs effectiveness, thus reducing overhead costs in favour of activities directly supporting beneficiaries.

IX. STAFF SURVEY

117. The Joint Inspection Unit conducted its online questionnaire in June–July 2009. The 50-question survey targeted all WFP employees. Before its circulation, it was submitted to WFP and to staff representatives for comments. The survey was made available in English, French and Spanish to reach a maximum of individuals, particularly at field level. The link was distributed through the WFP information management system. Responses were collected only by JIU and processed confidentially.

118. A total of 4,136 WFP employees responded to the survey, bringing the participation rate up to 35 per cent. The participation rate among different categories was quite illustrative and statistically representative of the views within the same category, with the exception of service contractors and employees under Special Services Agreements groups. The findings and opinions have fed the narrative of the report.

Table 12: Participation in the JIU survey 2009, by category of employee

	WFP employees	Responses	Participation rate (%)
International staff	1,242	739	60
General service staff	2,463	1049	43
National officers	451	336	75
Service contractors	5,896	1132	19
Employees under Special service agreements	1,082	158	15
Consultants	425	210	49
Other categories	275	139	51
Total	11,834*	4,136**	35

*Staff under special status excluded.

**Including incomplete surveys (376).

Table 13: Participation in the JIU survey 2009, by location

	WFP employees	Responses	Participation (%)
Headquarters staff	1,176	507	43
Field staff*	10,658	3,256	31

*Field staff refers to all employees located outside of headquarters.

119. The overall assessment of WFP is positive. Values (respect, cultural differences, gender issues, etc.) and job satisfaction issues are usually well rated. WFP employees consider that their skills are being well utilized by their employer and would definitely recommend WFP as a good place to work.

120. However, replies concerning human resources management are rather negative. Coordination and cooperation between departments at headquarters and relations among headquarters, regional bureaux and country offices are questioned. The present state of communication with executive management and processes for conflict resolution does not enjoy too much support.

121. At the time of finalizing their report, the Inspectors were pleased to learn that a number of internal communication initiatives had been developed. They are looking forward to seeing the concrete results of those initiatives in the quality and frequency of staff-management communication across the organization. Indeed, they consider it as an indispensable condition for future general improvement.

122. The Inspectors would like to draw attention to differences in the pattern of responses among different categories of staff and employees. Two critical trends were identified: The first is that, on many subjects, the answers provided by international staff sounded more negative than those given by the global audience. The second point is that opinions of staff members at headquarters were usually less favourable in comparison to that of the field staff. This was particularly the case for questions concerning WFP executive management (general confidence, encouragement to discussion, etc.) or for coordination aspects. Job satisfaction was also lower in Rome. Within headquarters, professionals were the most critical in their responses to the survey.

123. Interestingly, no significant differences were identified in the views of employees when considering their region of assignment. The patterns of responses were similar in all regions, both in terms of percentages and the leading responses.

Table 14: Selected questions from the JIU staff survey 2009

	Yes (%)	Somewhat (%)	No (%)	No opinion (%)
Management				
Do you have confidence in WFP senior management (P5 and above)?	44.1	36.7	14.2	4.9
Do you have confidence in your supervisor?	57.8	25	15.3	1.8
Communication				
Are important matters communicated through formal channels	50.7	34.1	14.3	0.6
Do you consider that you are kept well informed on initiatives of developments that could impact your job (offshoring, restructuring, etc.)?	29.5	37.3	29.8	3.5
Are there effective mechanisms in place for WFP staff to resolve conflicts and have grievances heard?	24.8	34.6	27.1	13.5
Are conflict dealt fairly?	17.3	32.4	26.1	24.2
Values				
Are you treated at consideration and respect at work?	62.4	28.1	8.4	1.1
Are cultural differences respected in WFP?	64.3	25.7	7	3.1
Do men and women receive equal treatment in WFP?	60.8	24.4	11.1	3.7
Job satisfaction				
Are you satisfied with your job?	54.8	34.5	9.7	1
Does your job make good use of your skills and abilities?	54.4	34.3	10.7	0.7
Are you optimistic about WFP's future?	55.4	29.1	11.3	4.3
Would you recommend WFP as a good place to work?	56.4	30.8	9.4	3.5

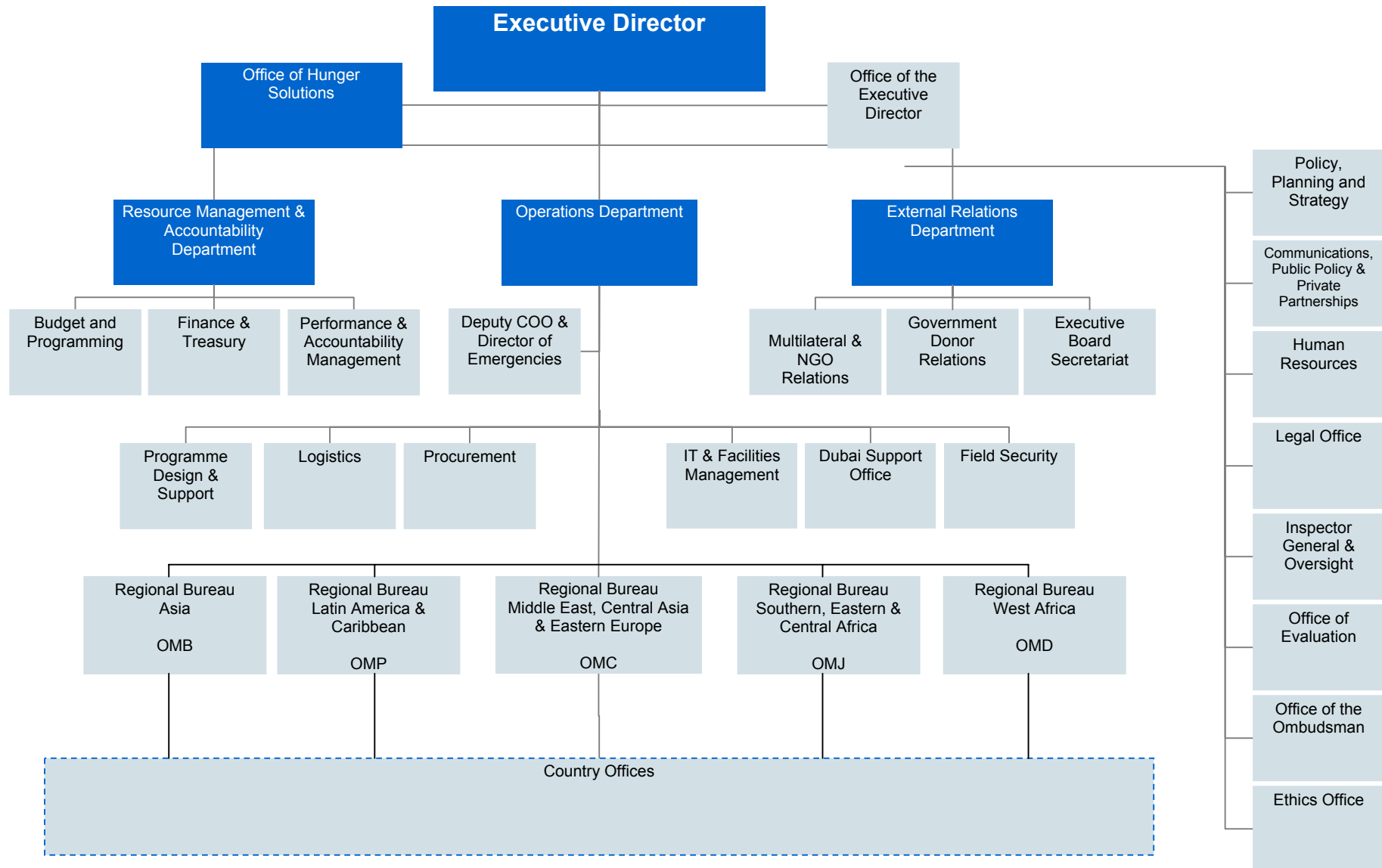
124. WFP also conducted two organization-wide surveys in 2004 and 2006 to collect staff views. The Inspectors consider this exercise as very positive providing the fact that results are integrated into relevant corporate attitudes through corrective or adaptive measures.

The implementation of the following recommendation is expected to improve relations between management and staff.

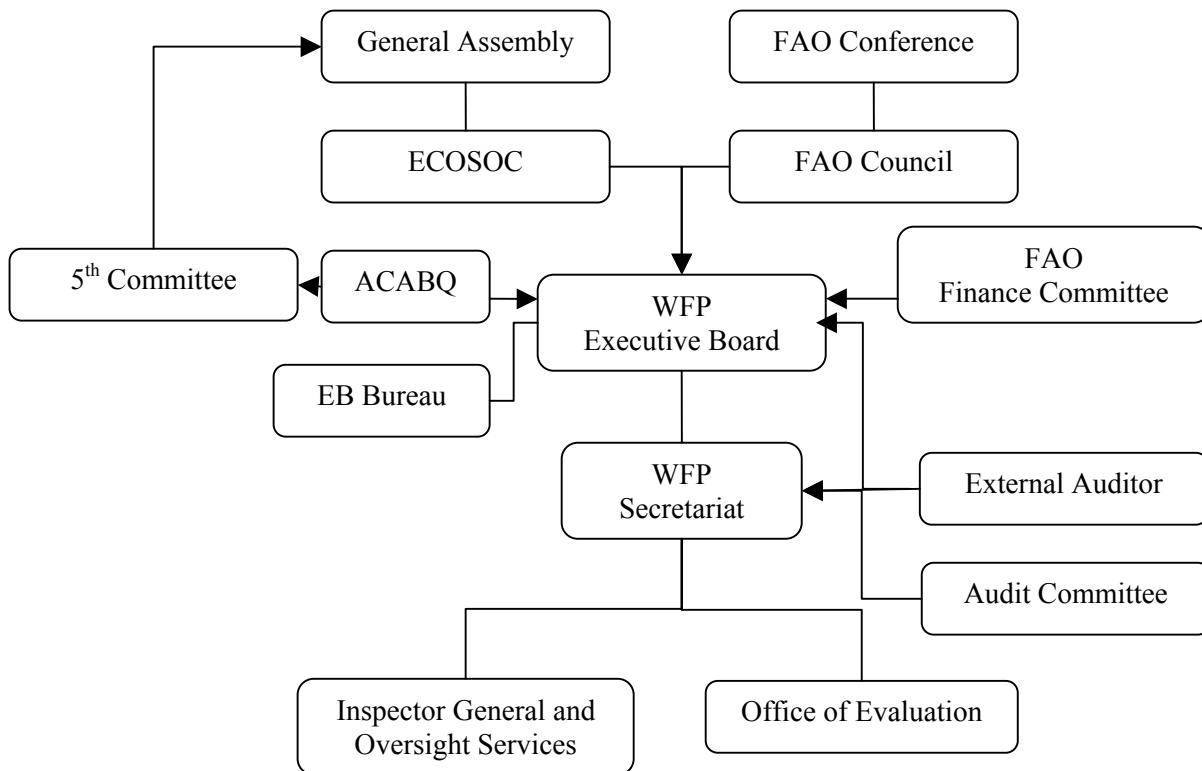
Recommendation 12

The Executive Director should conduct a global staff survey on a regular basis and report thereon to the Executive Board.

Annex I: WFP organization structure



Annex II: Governance and oversight framework



Source: WFP Inspector-General and Oversight Office

Annex III
Overview of action to be taken by participating organizations on JIU recommendations
JIU/REP/2009/7

		Intended impact																									
			United Nations*	UNCTAD	UNODC	UNEP	UN-HABITAT	UNHCR	UNRWA	UNDP	UNFPA	UNICEF	WFP	UNAIDS	ILO	FAO	UNESCO	ICAO	WHO	UPU	ITU	WMO	IMO	WIPO	UNIDO	UNWTO	IAEA
Note	For action		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	For information		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendation 1		e											E														
Recommendation 2		e											E														
Recommendation 3		e											E														
Recommendation 4		e											L														
Recommendation 5		g											L														
Recommendation 6		o											E														
Recommendation 7		e											E														
Recommendation 8		o											E														
Recommendation 9		d											E														
Recommendation 10		b											L														
Recommendation 11		d											E														
Recommendation 12		o											E														

Legend: **L:** Recommendation for decision by legislative organ
E: Recommendation for action by executive head (including as members of United Nations System Chief Executives Board for Coordination)
■: Recommendation does not require action by this organization

Intended impact: a: enhanced accountability b: dissemination of best practices c: enhanced coordination and cooperation d: enhanced controls and compliance e: enhanced effectiveness f: significant financial savings g: enhanced efficiency o: other

* Covers all entities listed in ST/SGB/2002/11 other than UNCTAD, UNODC, UNEP, UN-HABITAT, UNHCR, UNRWA.