

Ministry of Foreign Affairs – (Embassy Rome)

Meeting in the Council for Development Policy 28 November 2017

Agenda item 4

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| 1. Overall purpose | For discussion and recommendation to the Minister |
| 2. Title: | Danish Organisation Strategy for the World Food Programme (WFP) |
| 3. Presentation for Programme Committee: | 10 October 2017 |

Danish Organisation Strategy for the World Food Programme (WFP)

Introduction:

WFP was established by FAO and the UN General Assembly in 1961. The current WFP Strategic Plan focuses on supporting countries in implementing the SDGs, especially SDG 2 and 17.

Key results:

- Providing food assistance to and access to food for 82 million vulnerable people in 2016
- WFP now delivers more than 25 pct. of its food assistance package as cash. In 2016 14.3 million people were assisted with cash.
- Provided logistic services to 545 humanitarian actors (UN, NGOs and governments) in 2016.

Justification for support:

- Support to WFP is directly in line with the Danish strategy “The World 2030, Denmark’s strategy for development policy and humanitarian action” which aims to support people’s access to food in humanitarian situations in poor and fragile countries.
- WFP is the world’s largest provider of humanitarian food assistance.
- WFP is the world’s largest provider of cash in humanitarian situations and has been leading in developing this modality.

How will we ensure results and monitor progress:

- Monitoring of Danish priority areas will be based on WFP’s own framework and indicators.
- Denmark will promote these priorities in its engagement and dialogue with WFP.
- Denmark will undertake a mid-term review of the support to WFP in 2019.

Risk and challenges:

- The ultimate risks for WFP are increasing needs and diminishing funding.
- Diversion of attention from emergency assistance to organisational reform and SDG implementation.
- New risk related to increased use of cash.

File No.	2017-36158			
Responsible Unit	Embassy Rome			
<i>(Mill. DKK)</i>	2017	2018	2019	Total
Commitment	210	210	210	630
Projected ann. disb.	210	210	210	630
Duration of strategy	2017-2021			
Finance Act code.	06.39.01.13			
Desk officer	Vibeke Gram Mortensen			
Financial officer	Jonas Henriques			

SDGs relevant for World Food Programme



Budget (billion USD)

Resources mobilised in	
2015	5.05
2016	5.94
2017 (29 November)	5.02 (target 2017) 6.7

Danish involvement in governance structure

- Denmark on the WFP Executive Board from 2015- 2018 and 2020-2022
- Denmark on WFP Executive Board Bureau from 2015-2017
- Seats rotate between members of list D. Denmark is in rotation band with Norway, Italy and Switzerland.

Strat. objectives	Priority results	Core information	
Giving people in humanitarian crisis situations access to food	Access to Food (SDG 2) and partnerships (SDG 17)	Established	1961
		HQ	Rome
		Executive Director	David Beasley
	Increased use of cash as a modality for food assistance	Share of total funds spent on emergencies	82 pct.
		Human resources	15.400 staff of whom 1.400 international
		Danish staff	41
		Strategic partnership agreement between DK and WFP	2016-2019
	Continued institutional reform and risk management	Country presence	82 including WFP Nordic office in Denmark



Danish Organisation Strategy
for
The World Food Programme
2017 - 2021

November 2017

Organisation Strategy for Denmark's collaboration with World Food Programme (WFP) 2017-2021

1. Executive Summary

Denmark will in the period 2017- 2021 focus its strategic collaboration with World Food Programme (WFP) on 3 areas:

- SDG 2 and 17 – End Hunger and Partnerships; the core of WFP's business and its strategic plan.
- Cash based transfers as a growing modality in humanitarian assistance where WFP is very advanced.
- Organisational effectiveness and risk management including anti-corruption.

The measuring of results will partly be based on on-going dialogue with the organisation and partly WFP's own Corporate Results Framework and annual reporting.

WFP is an effective organisation in delivering food assistance and a long-time partner for Denmark. The organisation continues to grow and has a strong focus on delivery of food assistance to affected populations in poor and fragile settings.

2. Objective of the Organisation Strategy (OS)

This brief paper provides the strategic considerations for the cooperation between Denmark and the WFP and outlines how the work of WFP corresponds with Denmark's priorities as outlined in "[The World 2030](#)". Together with the Strategic Partnership Agreement between Denmark and WFP, it provides the strategic basis for Denmark's cooperation with, and financial support to, WFP for 2017-2021.

The OS is the central platform for Denmark's dialogue with WFP. It outlines Danish priorities for WFP's performance within the overall framework established in WFP's own strategy, the [WFP Strategic Plan 2017-2021](#). The OS points to specific goals and results that Denmark will pursue in its cooperation with WFP. Denmark will work closely with like-minded countries to support the outlined goals and priorities.

3. Background: Results from previous Organisation Strategy

A mid-term review of the OS 2013-2017 was performed in 2016. The review concluded:

1. The World Food Programme is an **effective and efficient organization** that has delivered well against the priority areas of the OS as well as the objectives in WFP's own Strategic Plan. Over the last two years WFP has pursued humanitarian emergency assistance with extreme vigor and coped with more challenges and crises than foreseen in its SP and corresponding management plans. Its emergency response capacity has been stressed to the limit but coped.
2. WFP has been **very active in the reform area**. Internally through the Fit-for-Purpose reform which has improved staff performance, systems delivery mechanisms and risk management. Externally in the cluster system and the Inter-Agency Standing Committee

(IASC), and in the follow up to the World Humanitarian Summit in May 2016 (WHS), incl. the Grand Bargain.

3. WFP's strategic plan matches well with the adoption of "The World 2030 – Denmark's Development and Humanitarian Strategy" in early 2017.
4. The two new overall strategies will create a need for revisiting the OS for it to serve adequately as guidance and reference tool for various users, partners of WFP, Danish officials et al.
5. The mid-term review recommended to find a common understanding with MFA about the humanitarian-development and peace nexus. However, the Finance bill still distinguishes between humanitarian and development funding and this OS recommends a continued focus on WFP's emergency response, as the core strength of WFP. Denmark will, however, advocate for and encourage WFP's participation in joint coordination in the field and in seeking longer-term solutions to protracted situations.

4. Key priorities: 1) Achieving SDG 2 and SDG 17, 2) Focus on Cash Based Transfers and 3) Organisational effectiveness (including anti-corruption)

The OS outlines three specific priority areas of relevance to the mandate of WFP in which efforts will be concentrated. One priority area addresses the organisational effectiveness, including institutional reform processes and efforts to combat corruption and misuse of funds. The Organisation Strategy will be subject to a mid-term review in 2019 following the publication of the MOPAN assessment in early 2019.

This OS identifies areas of WFP's Strategic Plan that cover the selected Danish priority areas and validates their inclusion in WFP's new Corporate Results Framework and the appropriateness of their monitoring. The joint DK-WFP humanitarian priority areas¹ are in assisting countries to achieve SDG 2 with a Danish priority on access to food in poor fragile countries and regions with fragility or in other words leaving no-one behind. The SDG 17 is also a common priority, as strategic partnerships is a priority in all areas of action for both Denmark and WFP. Finally, priority is given to WFP organisational effectiveness and effort in the area of risk management and anti-corruption. It should be noted that though WFP prioritizes SDG 2 and SDG 17, the organization contributes to other SDGs depending on country contexts and national priorities. WFP underlines that progress towards SDG 2 contributes to many other SDGs.

The relevance of WFP in relation to Denmark's priorities in development policy ("The World 2030" and "WFP Strategic Plan (2017–2021)") includes access to food in poor and fragile countries and regions that is an important priority in the Danish development and humanitarian strategy. Denmark has a strong emergency focus (saving lives) and prioritises the needs of the most vulnerable including a focus on gender and on the protection of women and children in food assistance activities. Over the past 5 years WFP has improved its efforts towards women. Most of the recipients of WFP assistance are women and children. WFP programmes are screened and rated with the Interagency Standing Committee (IASC) gender markers and most

¹ See Annex 2 for illustration of SDG priorities for Denmark and WFP

are gender mainstreamed. More programmes are moving into the category of “gender transformative” i.e. empowering women.

The relevance and effectiveness of WFP in relation to the humanitarian agenda is generally considered to be high. WFP leads or co-leads 3 humanitarian clusters: Food security, Logistics and Telecommunications. Through the IASC, WFP participates in the group of principals as well as the group of emergency directors and a number of working groups. At the World Humanitarian Summit (WHS) WFP co-signed the Grand Bargain and in the follow up to the WHS it has been leading the work stream on humanitarian cash transfers together with the UK (DFID).

WFP has actively promoted and advocated for New Ways of Working in food assistance to meet the ever growing humanitarian needs. Cash transfers can, where possible, be a link to other longer term assistance if delivery is done through existing government systems. This has been the case in various sudden-onset crises, where government systems were in place.

WFP is engaged in the discussions and trials on how to develop different responses to humanitarian challenges. WFP launched its own Innovation Accelerator in 2016. The Accelerator is a creative, collaborative environment that invites private sector, civil society and WFP entrepreneurs to identify, nurture and scale-up new solutions to tackle challenges in humanitarian and development contexts together. WFP's Innovation Accelerator, currently supports more than 30 internal innovations and external start-ups across all WFP operations.

The area of cash based transfers is chosen as a key priority to monitor and continue dialogue on. It is a relatively new and fast growing modality in humanitarian crisis and it has increasing relevance also in Denmark's collaboration with other partners.

Cash transfers also relate to priority 3 Organisational Efficiency, which includes risk management and the prevention of fraud and corruption. The distribution of cash compared to blanket feeding programmes poses new and diverse challenges to risk management, oversight and accountability. Many other Danish humanitarian and development partners use cash modalities (for example DanChurchAid, Save the Children, UNICEF and UNHCR) but none to the scale of WFP yet. As a lead in cash based transfers Denmark finds WFP has a special responsibility in developing and sharing modalities for cash delivery. Support to government social protection systems can be part of WFP cash delivery in some countries.

4.1.1 Access to food, achieving food security or End Hunger (SDG 2)

Denmark's collaboration with WFP will particularly support the implementation of SDG2 as outlined in the WFP Strategic Plan (2017-2021) with a focus **on SDG 2.1 Access to Food.**

In partnership with WFP Denmark will support emergency food assistance in humanitarian crisis and in countries and regions characterised by fragility with extensive poverty and vulnerability and with direct or indirect impacts on Danish interests.

With WFP Denmark will respond to crises and conflicts with particular attention to issues connected to security and refugee and migrant flows. In compliance with the humanitarian imperative, we will address protracted, often forgotten, humanitarian crises and support action in case of man-made, natural and climate-related disasters. In the connection with conflict and crisis, ending hunger is a strong Danish priority (SDG2).

In line with Denmark's goal of *Security and development – Peace, stability and protection*, Denmark will invest in peace, stability, protection and increased resilience in the developing countries. In neighbouring areas of crisis and conflict - in partnership with WFP - Denmark will strengthen its assistance targeting internally displaced people, refugees and local communities and through strengthened protection, improved livelihoods, education and employment opportunities also contribute to countering refugee pressures on Europe's borders.

In line with the Danish goal on *Migration and development*, Denmark will contribute to countering irregular economic migration and to addressing the root causes of migration. Addressing hunger by supporting WFP in providing food, cash, vouchers etc. is a fundamental step in preventing migration of populations – including to neighbouring regions – hit by crisis and conflict and a first step towards their freedom to create a future for themselves and their families where their homes are. Ending hunger and malnutrition for the most vulnerable especially in situations of crisis and conflict with limited access to food is a key challenge. Research shows that conflict and food insecurity are interrelated and affect migration.

In the 2030 Agenda it is recognized that concurrent action in different contexts and across sectors is required. By addressing their interconnected root causes, poverty and hunger can be ended forever. This is critical wherever hunger is found, and resonates with the 2030 Agenda's call to prioritize people in situations of conflict, disaster, risk and vulnerability.

In this regard WFP's food assistance interventions will be based on a comprehensive food security and vulnerability analysis tools and guidelines that identify food insecure and vulnerable households, identify the root causes of hunger, analyse the risks and emerging vulnerabilities among populations in crisis-prone countries, make recommendations on the best response and transfer modality options to target the neediest populations, and inform preparedness for reduced hunger.

4.1.2 Partnerships for Action (SDG 17)

Clearly, SDG2 (Ending Hunger) has the highest priority in the Danish-WFP partnership, but in achieving SDG 17 (Partnerships) Denmark will explore opportunities for supporting partnerships between WFP and Danish private sector in the area of humanitarian innovation as well as in sectors where Denmark has strong competencies for example transport and food.

Among the sub targets the most relevant are **SDG 17.9** Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the Sustainable Development Goals and **SDG 17.17** Encourage and promote effective public, public private and civil society partnerships, building on the experience of partners.

In the partnership with WFP it is possible to strengthen the coherence between humanitarian responses and development cooperation through advocating and supporting measures such as joint planning and analyses, common agreements bridging humanitarian and development funds to international and civil society partners, and linking of humanitarian action to development-oriented country programmes. It also includes – with full respect for the humanitarian principles – comprehensive engagements in fragile and conflict-affected crises.

Denmark is rolling out this approach linking humanitarian action and development in response to fragility and displacement, both in its own programmes and policies and in its strategic policy dialogue with bilateral and multilateral partners. Moreover, Denmark is engaged to support Governments in their implementation of the Comprehensive Refugee Response Framework to facilitate a stronger development orientation in relation to refugee affected action. As a donor Denmark will seek to incentivize collective outcomes and will ensure that its' financing mechanisms are sufficiently flexible and efficient as called for in the Grand Bargain.

In line with this WFP is presently supporting the implementation of the Comprehensive Refugee Response Framework in collaboration with other actors. For example WFP has a role in providing food assistance as part of a package of refugee support where other agencies provide protection, livelihoods, education or training. Food provision in the manner becomes an incentive to participate in the programmes. This is happening in a number of countries with protracted crisis and displacement where collaboration between host countries, UN organisations (especially UNHCR) and NGOs has given opportunity to address food security in a longer term manner.

4.2 Cash Based Transfers (CBT)

Cash Based Transfers (CBT) is a growing modality in food assistance. The use of cash and vouchers has been increasing in recent years. The fastest increase of use of this modality was 47 pct. growth in 2013. All humanitarian sectors are open to cash and voucher programmes. In most circumstances cash and/or vouchers can be provided to cover the basic needs of the affected population without pre-conditions. In other cases, where appropriate, beneficiaries may be asked to perform some activities (e.g. community work, training) in order to receive the transfer.

Denmark will pay special attention to cash based transfers during the duration of the OS. Denmark will not tie assistance to cash based transfers as the support to WFP is not earmarked but as cash based transfers form a growing part of WFP's response, also Danish funds will be channelled into cash programmes. When discussing the new country strategic programmes with WFP we will ask: "Why not cash? If not now, when?"

Denmark does not yet have a policy on the use of cash in humanitarian situations but is in line with the EU [Council Conclusions](#) on Multipurpose Cash from 2015; the UK has for many years been promoting the use of cash and is now working for a larger share of cash transfers to be unrestricted in use, thereby providing more choice to the people receiving it.

WFP is now one of the largest cash distributors in the humanitarian system. The value of cash-based transfers increased to USD 880 million in 2016, from USD 670 million in 2015. In 2017, WFP expects this figure to rise to USD 1.2 billion. The number of people receiving CBTs also grew significantly, from 9.6 million in 2015 to 14 million in 2016. In many countries, CBTs are succeeding in strengthening social protection systems and facilitating financial inclusion and the development of local financial systems. In 2016 cash was used in 60 countries and 95 operations, from 54 countries and 84 operations in 2015.

Cash give the affected populations control over decisions that affect their lives and make it possible for them to choose the food or other basic items they need the most. Integrating CBTs with other forms of food assistance, such as food rations, increases the flexibility and agility of WFP's response to emergency crises by allowing a rapid switch from one to the other as the local context changes.

Cash-based assistance in non-emergencies also grew in 2016, with USD 438 million transferred, compared with USD 326 million in 2015. Nearly half of the people reached were in Sub-Saharan Africa, and about a third was in the Middle East region. That year, WFP provided unrestricted cash in 52 countries compared with 44 countries in 2015, allowing people to address multi-dimensional needs.

“Cash” for WFP involves physical bank notes, vouchers, or electronic funds given to beneficiaries to spend directly. Cash and vouchers are quick to deliver, cost-effective and provide people in need with greater choice. Among the advantages are benefits for local economies, empowerment of the beneficiaries, and dignity and decision power to affected populations who can choose the items they would like to buy. The cash and voucher system also prepares the ground for linking relief, rehabilitation and development activities as mentioned above. However, cash is never a solution where there is no market or very high inflation. This complicates the measuring of the effectiveness of cash as a simple indicator of “cash as a share of assistance given”. An analysis of local conditions is always needed.

WFP is working with other humanitarian cash providers in the “Cash Learning Partnership” (CaLP) where standards and methods relating to delivery of cash are being developed and experiences shared. The CaLP includes both NGOs and UN agencies engaged in cash delivery. Because of the amount of cash transferred by WFP, the organisation has a strong responsibility as leader to effectively share experiences and systems.

4.3 Organisational effectiveness (including anti-corruption)

Organisational effectiveness is perceived as how well WFP delivers on its mandate and plans. Denmark makes a Mid-Term Review of the OS. The findings of the Danish Mid-Term Review of the previous OS are summarized in the beginning of this document. A number of countries and donors have assessed WFP. The latest MOPAN was in 2013. Other effectiveness assessments includes the British MDR (2016)

DK is presently co-lead for a new MOPAN assessment of WFP which will be finalised in early 2019 in time for the mid-term review of the present Organisation Strategy. Many of the

findings of the previous MOPAN from 2013, including weak gender systems, have since been addressed by WFP where gender mainstreaming and now gender transformation has become organisational priorities. Gender parity in the organisation has also improved a lot since 2013.

The British Multilateral Development Review (MDR) concludes that “WFP has a strong comparative advantage due to scale, specialisation and track record on delivering. WFP is relevant to all of DFID’s Strategic Objectives, and many of the Sustainable Development Goals (SDG); WFP has an essential role contributing to combatting global hunger, and is a system leader for logistics and emergency telecommunications. WFP is well organised with robust systems, good organisation of human resources and reliable risk management and fraud detections procedures.”

On oversight and risk management, Denmark will continue to support institutional reform processes, improved efficiency and results delivery as well as WFP’s efforts to combat fraud, corruption and misuse of funds. Like Denmark, WFP has a zero tolerance for fraud and corruption.

WFP has an extensive oversight structure when it comes to anti-fraud and anti-corruption. To guide staff and the organisation WFP has both an internal and an external auditor (at present the French State Auditor), an Inspector General (IG) with focus on fraud and corruption as well as an ethics office. From the end of 2017 a new office for oversight will bring together these functions presumably under the Chief of Staff. Combined with this WFP has developed a risk register which points to risks at 3 levels.

An independent audit committee advises WFP on best practices on risk management. The evaluation function is independent and is seen as an integrated part of the oversight system in WFP. A recently approved evaluation policy includes external recruitment of the Evaluation Director and decentralised evaluations at regional and country level.

The UN Joint Inspection Unit recommends governing boards and membership engage more in anti-corruption/fraud related discussions. Denmark supports this actively and the membership in WFP now receives quarterly oversight briefings. The membership broadly is engaged in this not only members who are donors.

As cash based assistance is a rather new modality, best practices for anti-fraud and anti-corruption in this field are still being refined. As cash delivery often depends on electronic systems be it credit cards or mobile phones, transactions leave trails that can be monitored systematically. Examples of fraud with cash have been discovered by monitoring transaction times (very few people shop for food at two in the morning - thus irregular transactions were discovered).

4.4 Results monitoring

The WFP priorities and results that will be monitored for the coming years will be selected to ensure that DK and WFP collaboration is focused on enhancing Danish humanitarian priorities of the Danish Development and Humanitarian Policy. Areas of WFPs Strategic Plan have been

selected covering the Danish priority areas and validating their inclusion in WFPs new Corporate Results Framework and Management Results and the appropriateness of their monitoring.

Focus is on monitoring results in the area of food assistance, partnerships, Cash Based Transfers and organisational effectiveness. (See Annex I).

Other than the WFP Corporate Results Framework, Denmark is also actively engaged in dialogue with WFP on results, cash based transfers and risk management. As WFP is engaged in supporting SDG implementation the results are measured at many levels. WFP is measuring various indicators linked through a results chain to the SDGs: SDGs - Strategic Goals – Strategic Objectives – Strategic Results – Strategic Outcomes – Outputs – Activities.

In the Annex I the core indicators have been selected, but as discussed above under cash transfers, they are complex and situation depending.

5. The Organisation

Assisting 82 million people in around 80 countries each year, WFP delivers food assistance in emergencies and works with communities to improve nutrition and build resilience. WFP employs more than 15.000 staff and is one of the largest Danish humanitarian assistance partners.

In humanitarian crisis WFP leads or co-leads the food security cluster, the logistics cluster and the cluster for telecommunications. WFP has 5,000 trucks, 20 ships and 70 planes, which deliver food and other humanitarian assistance to those most in need. Every year, WFP distributes approximately 12.6 billion rations at an estimated average cost per ration of US\$ 0.31.

5.1 Structure and management

The organization is headed by an Executive Director, who is appointed jointly by the UN Secretary General and the Director-General of FAO (UN Food and Agriculture Organization). The Executive Director is appointed for a fixed five-year term.

The current Executive Director is David Beasley, who was appointed in 2017. He is responsible for the administration of WFP as well as the implementation of its programmes, projects and other activities. WFP also has one Deputy Executive Director and three Assistant Executive Directors with specific briefs (partnership, finance and operations respectively). A newly appointed Chief of Staff is supposed to support and strengthen oversight and cash based transfers.

WFP structure is predominantly field-based. Senior management is Rome-based, but the next level, the regional directors, is based in 6 regional bureaux providing leadership and support to the country offices. Currently senior leadership change is on-going following the appointment of the Executive Director.

5.2 Governance, List D and Nordic collaboration

WFP is governed by the WFP Executive Board, which consists of 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 FAO. Each member serves three-year terms and is eligible for re-election.

OECD countries are organised in List D, which holds 12 seats on the Executive Board. Denmark serves on the Board until 2018. One or more of the Nordic countries, Denmark, Finland, Norway and Sweden, are always represented at the board. Nordic collaboration is extensive in all the Rome-based food organisations and the Nordics together (including Iceland) is the largest donor of un-earmarked funding to WFP. Joint Nordic statements are regularly given at Executive Board meetings. Denmark is in list band with Norway, Switzerland and Italy which rotate seats at the Board.

6. Budget and financial resources

WFP relies entirely on voluntary contributions for its funding. Its principal donors are governments but WFP also receive donations from the private sector and individuals. As WFP is re-organising to adapt to the Agenda 2030, funding will be channelled through country programmes with yearly budgets as opposed to crisis and time-specific emergency operations. It is expected that the new country programmes will have clear links to humanitarian appeals and a special budget line is linked to crisis response. The other being resilience building and response to root causes.

In 2016, WFP had estimated the need for its services to be around USD 8 billion and managed to fund-raise almost USD 6 billion. The organisation implemented programmes for around USD 5.4 billion, a fair bit below the amount fundraised, but some donations were multi-year donations and were registered in full same year and other donations were given very late in the year. In 2017, WFP expects to fundraise USD 6.7 billion.

For overhead WFP charges a flat rate for Indirect Support Costs (ISC). The ISC rate is approved by the Executive Board as part of the approval of the Management Plan on an annual basis. Presently the rate is 7 pct.. There is little flexibility in the ISC rate except for some trust funds and for the “Immediate Response Account” (IRA) which does not charge ISC but allocates all funds directly to life saving operations prioritized by WFP. Pending approval by the Executive Board, WFP is planning to decrease the ISC rate for 2018 to 6.5 pct. as the increase in volume of the overhead (ISC) has been growing more than planned and has accrued in the ISC account at WFP.

7. Danish financial support to WFP

During the World Humanitarian Summit (WHS) Denmark and WFP signed a Strategic Partnership Agreement that covers the period 2016-2019. Under this agreement, pending the approval of Parliament, Denmark will provide DKK 630 million to WFP from 2017 to 2019, of which DKK 609 million are un-earmarked funds. Under the agreement, Denmark is investing in humanitarian innovation, including the use of cash-based transfers.

Annually, the support is divided with DKK 203 million to un-earmarked support and DKK 7 million to advisers including JPO (Danish junior professional officers).

Denmark also provides earmarked funding to WFP in specific crisis situations. The support is given to specific humanitarian appeals for a specific crisis or country. As a result of changing Danish priorities this amount had been slightly decreasing the last two years (2015: DKK 135 million; 2016: DKK 104 million; 2017: so far DKK 180 million) but the trend has reversed in 2017. In addition Danish funding to WFP is also channelled through the UN Central Emergency Response Fund (the CERF) and various UN Common Humanitarian Funds, EU (ECHO was the 2nd largest overall donor in 2016) and, on rare occasions, Danish embassies.

8. Other Danish cooperation with WFP

Danish NGOs also partner with WFP, and especially Danish Refugee Council (DRC) is an important implementing partner to WFP. In the area of logistics [MAERSK](#) has been supporting WFP operations and is a partner in the logistics cluster. It is foreseen that the second priority area for this strategy (SDG 17 partnerships) will enhance the focus on other forms of partnership and collaboration. Possible areas for engagement could be in innovation with private sector partnerships and collaboration.

In the logistics and telecommunications areas WFP collaborates with the Danish Emergency Management Agency ([DEMA](#)). Both DRC and DEMA have agreements with WFP to facilitate rapid deployment of staff and equipment in the event of international disasters (stand-by partnerships). Stand-by partners are important to maintain WFP's surge-capacity in the event of sudden on-set crisis.

The WFP Nordic office is based in Copenhagen and provides information and visibility for both Denmark and WFP.

9. Key strategic challenges, opportunities and reform efforts

Three areas are central and interlinked:

1. Many simultaneous crises, humanitarian needs growing and insufficient funding are the core challenges for WFP. They are continuously addressed but seem unsolvable by any agency alone. The Secretary Generals call for reform of the UN system will be an opportunity to address the challenges jointly and hopefully agree on a way forward.
2. Agenda 2030 and the SDGs are considered an opportunity to engage in New Ways of Working. The Agenda 2030 calls for different solutions and wider engagement, it also recognises that the SDGs are interlinked. WFP is well placed to address longer term solutions to, for example, food needs of long term displaced people. In collaboration with other actors (humanitarian and development actors as well as governments) WFP is engaged in the reform process.
3. Reform of WFP started with the strategic plan 2017-2021 and has led to new ways of organising programmes, finances and reporting. It is a major overhaul and reform effort that has taken (and will take) considerable organisational resources. However, the reform

should make it possible for WFP to respond more effectively and engage better especially in countries and situations where governments and WFP together address access to food.

10. Risks and assumptions

The overall assumption is that the humanitarian need will grow but not explode, and that WFP will continue to be risk aware and manage risks at all levels. Risk management is key to country programmes and so country offices keep updated risk registries.

Central risks which Denmark will pay special attention to and support WFP in addressing are:

- **Growing humanitarian needs** with (at present) 6 simultaneous L3 crises affecting response and surge capacity. This risk poses a real risk and can lead to lack of response to people affected by crises or conflict. WFP is currently increasing its crisis response/ crisis management training programme for its staff to increase surge capacity. Seeking new donors and partners can also increase WFP's response.
- Overstretching of the organisation and WFP staff. WFP is very aware of the issue and has initiated a series of remediating activities including a greater focus on locally employed staff and a series of staff welfare activities.
- Diversion of attention from emergency assistance to organisational reform and SDG implementation. As WFP is implementing the strategic plan with a focus on Agenda 2030 there has been less attention to emergency response. This risk has been pointed out by many (including the chairman of the audit committee and in evaluations of WFPs surge capacity). However, with the reform WFP should be better placed to respond to emergencies especially protracted crises.
- New risk related to increased use of cash. Cash based transactions are presenting new possibilities for fraud (also electronic) and WFP is implementing new forms of risk monitoring here. New partners, like credit card companies and banks, have different ways of operating compared to traditional humanitarian actors and together with other agencies delivering cash WFP is engaging with them to establish best practices for risk management. WFP is currently reorganising the management of cash transfers to reduce risk.

Annex I

The results matrix framework is, according to the multilateral guidelines, based on WFP's own Corporate Results Framework, with selected indicators, results and benchmarks covering the 3 selected priority areas of DK's particular interest.

	Indicator	Expected result 2017	Benchmark (2016)
SDG 2 Access to food	Number of women, men, girls and boys receiving food assistance	85 million	82,2 million
SDG 17 Partnerships	Number of stand-by partners	23	22
Cash based assistance	Number of people receiving food assistance as cash	15 million	14 million
Organisational Effectiveness (delivery)	Percent of needs based budget reached (funding)	100 pct.	84 pct.
Organisational Effectiveness (delivery)	Percent of responses under 3 days in providing food assistance to sudden on-set crises	100 pct.	100 pct.

Annex II Illustrations of SDG focus for WFP and Denmark

WFP:



Denmark:

DENMARK'S DEVELOPMENT POLICY VISION, STRATEGIC AIMS, PRIORITIES

prioritised Sustainable Development Goals, by country category and global public goods

