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**Executive Board
Second Regular Session**

Rome, 7–11 November 2005

POLICY ISSUES

Agenda item 4

For consideration



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FINAL REPORT ON THE GOVERNANCE PROJECT



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NOTE TO THE EXECUTIVE BOARD

This document is submitted for consideration to the Executive Board.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

Chair, Governance Group: Mr Anthony Beattie

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Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms C. Panlilio Administrative Assistant, Meeting Servicing and Distribution Unit (tel.: 066513-2645).



EXECUTIVE SUMMARY

The Governance Group was established in March 1999 to develop ideas for strengthening the governance of WFP as it evolves and making the Board more strategic and efficient. Between 2000 and 2005, the group also considered ad hoc governance issues.

The Governance Group saw the Board as responsible for interlinked frameworks: (i) strategy: defining WFP's purpose and role, and developing a culture of results-based management; (ii) policy: codifying WFP's policies and reviewing them regularly as part of the Programme of Work; (iii) oversight: developing a biennial Management Plan, introducing the "no-objection" process for approving country programmes and delegating increased responsibility to the Executive Director for approval of protracted relief and recovery operations valued at no more than US\$20 million; and (iv) accountability: developing an Annual Performance Report, learning from best practice in public and private organizations, developing strategies for risk-management, internal control and audit, adopting international accounting standards and reviewing the evaluation function.

The group characterized the functions of the Board in terms of information-sharing, consensus-building and decision-making; it recommended greater use of informal consultations and a discussion of current and future strategic issues at the start of each session.

With regard to Board meetings and documentation, the Governance Group recommended that the annotated agenda be revised to show why issues were brought before the Board and that items for information be discussed only if the President saw this as proper use of the Board's time. The group also recommended issuing a consolidated statement of decisions immediately after discussions and a summary record of Board sessions. Its work led to the issue of guidelines on Board documentation that require Board documents to include an executive summary and a draft decision and to adhere to a word limit.

The Governance Group proposed combining EB.A and EB.2 as part of a reduction in the number of sessions and meeting days, to continue resource consultations and to introduce a draft Programme of Work for annual review. These proposals have been adopted.

The implications of WFP's relations with its parent bodies were an important issue in the opinion of the Governance Group and should be considered in due course.

The group saw the function of the Bureau as communicating with the Lists, reviewing Board meetings to ensure that issues for follow-up were identified and managing the succession of the President and Vice-President. Induction programmes for new members of the WFP Board were introduced as a result of the Governance Group's proposals and have been imitated by other United Nations bodies.



In judging the outcomes of the work of the Governance Group, the authors consider that development of the strategy, policy, oversight and accountability frameworks reflecting best international and private-sector practice is a major step forward in the governance of WFP and a sound basis for further evolution. Informal consultations have resulted in greater efficiency and consensus at Board sessions, though the Board might wish to stipulate earlier circulation of papers. The Executive Director's statement on Strategic and Future Issues at Board sessions is widely welcomed, but the Board may need to reconsider its function as a starting point for general discussion.

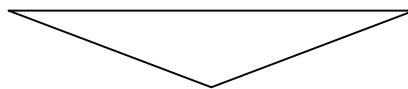
The quality of Board documents has improved considerably as a result of the Governance Project, but there is still room to reduce the amount — and hence the expense — of Board paperwork, which would enhance the efficiency of the Board's proceedings.

The guidance material on participating in Board meetings has had limited impact: the Governance Group would welcome the opinions of Board members with regard to encouraging more interactive discussion at Board sessions. The WFP tradition of appointing a Vice President of the Board who serves for a year before taking over as President has helped to maintain the quality of chairing and hence the efficiency of Board proceedings.

The Board has progressed towards a more strategic approach to planning its annual Programme of Work, but the number of topics for consideration by the Board — and hence the length and cost of the sessions — is still high; the annual review of the previous 12 months of business has had limited results. Better preparation could improve the situation in these areas.

The governance of WFP and hence its ability to serve the hungry poor have been enhanced by the outstandingly productive partnership between the Board and the Secretariat. The authors conclude by expressing their sense of privilege in helping to make WFP one of the best governed agencies in the United Nations system.

DRAFT DECISION*



The Board takes note of the information and observations in "Final Report on the Governance Project" (WFP/EB.2/2005/4-C/Rev.1).

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.



INTRODUCTION

1. This is a final report on the Governance Project approved by the Board at EB.A/2000. It documents and evaluates the implementation of Action Plan approved by the Board on that occasion and records the outcome of related work on governance issues commissioned by the Board during the implementation period of the original project. The report is largely factual; but the principal authors – the Executive Director and the Chair of the Governance Group – conclude with some personal judgements on the success of the project and some questions that the Board may care to discuss.
2. The Governance Project was overseen by a group of Board members drawn from all Lists appointed as an ad hoc informal body by the Bureau. The group was known as the Working Group on Governance between 1999 and 2000 and as the Steering Group on Governance between 2001 and 2005. In this document the term “Governance Group” is used for both. The membership of the Group from 1999 to 2005 is shown in Annex I.

BACKGROUND

3. WFP’s principal organ of governance is its Executive Board, set up by United Nations General Assembly Resolution 48/162 in 1993. This provides for Member States, acting through the parent bodies of the General Assembly and the Conference of the Food and Agriculture Organization of the United Nations (FAO), to appoint delegates to the Board to oversee the management of WFP. These arrangements and the formal responsibilities of the Board are summarized in Annex II.
4. A Governance Group was established in March 1999 at the request of the Board to develop ideas and recommendations for strengthening the governance of WFP. Each of the Board’s five regional electoral lists appointed a representative.¹ The work of the Governance Group was supported by consultants from Mannot, based in Geneva.
5. The origin of the project lay in informal discussions between the then Executive Director, Ms Catherine Bertini, and members of the Board as to the best way of governing a changing organization. The challenge was to develop ideas to make the Board more strategic, more effective and more efficient. It was suggested that a successful project might offer lessons for other parts of the United Nations.
6. Substantive work on the project took place between March 1999 and April 2000. The Governance Group met on ten occasions and held five informal consultations on governance during this period. The work involved extensive consultation with members of the Board and observers, a review of best practice in the international, corporate and non-governmental organization (NGO) sectors and the production of a series of discussion papers (see Annex III). The result was the “Report of the Working Group on Governance” to EB.A/2000.

¹ Decision 1999/EB.1/18 (see Annex I). Mr Anthony Beattie was elected Chair of the Working Group; Ms Valerie Sequeira and Ms Susana Rico acted as the secretariat.



7. In its report the Governance Group noted that the Board:
 - is composed of representatives of Member States and hence is political by nature;
 - is responsible for a body that is voluntarily funded;
 - operates on the principle that decisions on responses to emergencies, where time is of the essence, have to be taken under delegated authority;
 - brings together countries at different levels of development, including donors, recipients and others who are interested in the multilateral work of WFP;
 - has two parent bodies;
 - works with and through governments, organizations and communities; and
 - seeks to make decisions through consensus.
8. The group presented its analysis and recommendations under five main headings:
 - the roles of governance: establishing the broad strategic and policy direction, overseeing the management of WFP and ensuring accountability;
 - the functions of governance: information-sharing, consultation, consensus-building and decision-making;
 - the processes of governance: meetings and documentation;
 - the annual programme of work; and
 - the structure of governance: the parent bodies, the Board, the Bureau, the electoral lists and permanent representations.
9. The Board approved 22 of the 23 recommendations (see Annex III).² These included an action plan to implement the agreed recommendations in successive business cycles over the five years to 2005. The Bureau subsequently decided in March 2001 to reconstitute the group into the informal Steering Group on Governance to oversee and guide implementation of decisions on governance.³ The Executive Director established a Secretariat Contact Group to act as its counterpart.
10. During the five-year implementation period of the Governance Project, the Board asked the Governance Group to deal with other ad hoc governance issues that arose in WFP or externally. In this final report on the project, we have accordingly dealt both with the recommendations approved by the Board in 2000 and with the other topics remitted to the Governance Group in the period 2000–2005. The structure of the report follows that of the report presented to the Board in 2000, as outlined in paragraph 8.

² Decisions 2000/EB.A/6 and 2000/EB.3/1. Recommendations (j) to (v) approved during EB.A/2000 and recommendations (a) and (c) to (i) approved during EB.3/2000. Recommendation (b) “WFP’s Mission Statement should be Redrafted” was not approved (see paragraph 14).

³ Note for the Record (NFR), Bureau Meeting, 22 March 2001.



THE ROLES OF GOVERNANCE: STRATEGY, POLICY, OVERSIGHT AND ACCOUNTABILITY

11. The Governance Group argued that Board should think of itself as responsible for four interlinked frameworks:
 - a strategic framework comprising a Mission Statement that defines WFP's purpose and role, guiding values and principles, supported by a Strategic Plan that provides the context for WFP's operations during a four-year period;
 - a policy framework comprising a set of policies governing the operations of WFP;
 - an oversight framework covering the delegation of responsibility to the Executive Director for managing WFP within the strategic and policy frameworks on the basis of a Biennial Management Plan that has as its core the Programme of Work and Budget; and
 - an accountability framework under which the Board (i) holds the Executive Director to account for the delivery of results agreed in the Biennial Management Plan and (ii) discharges its own accountability to Member States and the parent bodies — the United Nations General Assembly and the FAO Conference.
12. The Group saw these frameworks as interdependent and dynamic elements in a system of governance, supported by “governance tools”. The development of these tools over successive business cycles constituted the core of the action plan recommended by the group.
13. The implementation of the four frameworks is described below.

Strategic Framework

14. The strategic framework comprised recommendations regarding the redrafting of the mission statement, which was not approved by the Board because some members felt that this might expose unproductive differences of view about WFP's role, the development of the current Strategic Plan and Financial Plan into a Strategic Plan based on the concepts of results-based management (RBM), and strategic reflections during an occasional symposium on food aid.
15. The Governance Group called for a strategic plan that (i) looked four years ahead and was updated and rolled forward every two years, (ii) focused exclusively on strategic issues framed in the language of RBM, (iii) included measures for strengthening WFP's capacity as well as delivering programme outputs and (iv) was placed under the Policy heading in the Board agenda rather than under Financial and Budgetary Matters.
16. The “Strategic Plan (2004–2007)” approved by EB.3/2003 was the first fully to reflect this new approach. It set out the goal and five Strategic Priorities of WFP linked to the Millennium Development Goals (MDGs), nine Management Priorities for action to improve the capacity of WFP and a series of performance indicators. It included an analysis of strengths, weaknesses, opportunities and threats, a broad resource-mobilization strategy and, for the first time, a results-based matrix. Partly because of the novelty of the approach and because some of the proposals were controversial, the document was the subject of four informal consultations before it was approved.
17. The successor “Strategic Plan (2006–2009)” approved by EB.A/2005 built on this approach, adding an improved treatment of WFP's contribution to the MDGs and a new section on risk management that replaced the previous analysis of threats.



18. General Regulation VI.2 (a) lays upon the Board the obligation to provide a forum for inter-governmental consultation on national and international food aid programmes and policies. The Governance Group was not persuaded of the need for convening a global forum on food aid on a regular basis. It accordingly proposed, and the Board agreed, that the case for such a symposium should be considered by the Board when it reviewed its forward programme of work each year, as described in paragraph 60. The Board has not so far concluded that a symposium should be held.

Policy Framework

19. The aim here was to codify the work done by WFP and its Board on policy issues over the years by bringing together existing policy statements, editing and simplifying them as appropriate, and commissioning work on any gaps thus revealed. The resulting compendium would then be kept under regular review.
20. The resulting “Consolidated Framework of WFP Policies: A Governance Tool” was endorsed by the Board during EB.A/2002.⁴ It comprised a 15-page summary compendium under five main heads: development, emergencies, linking relief and development, cross-cutting, and resourcing. The Board decided that the compendium should be updated annually to reflect Board decisions on new issues.
21. Consequently, an “Updated Version of the Consolidated Framework of WFP Policies” was presented to EB.3/2003 as a 19-page compendium. A companion document “Updating the Consolidated Framework of WFP Policies: Proposed Executive Board Policy Agenda for 2004–2005” responded to the request to identify policy gaps or existing policies that should be revisited⁵ by proposing policy topics for the 2004–2005 biennium based on observations by Board members. The third “Updated Version of the Consolidated Framework of WFP Policies” was presented to EB.3/2004; the fourth will go to EB.2/2005. It was agreed at EB.A/2002 that reviews of the framework and discussion of future policy work should take place during the presentation of the Programme of Work at EB.2 each year rather than as part of the Annual Performance Report (APR) as originally proposed by the Governance Group.
22. At the Board’s request, the Secretariat now maintains an up-to-date electronic version of the policy framework on both the Executive Board and Policy sections of the WFP website incorporating new policy decisions after approval at each Board session.⁶ The web-based version includes links to all documents referenced in the policy framework.

Oversight Framework

23. The Governance Group saw this as resting on two pillars: a Biennial Management Plan specifying planned outcomes and indicators of achievement and a set of programming principles for country programmes and projects and operations conducted outside country programmes.

⁴ In addition, the Secretariat presented a cover note explaining the genesis of the policy framework and the process used to prepare it and suggesting steps needed to keep it under the Board’s review: “Consolidated Framework of WFP Policies: Establishing and Maintaining a Governance Tool” (WFP/EB.A/2002/5-A/2), 12 April 2002.

⁵ Decision 2002/EB.A/3. The Board suggested ways for the Secretariat to improve, expand and update the document in consultation with the Governance Group, and asked the Secretariat to facilitate an incremental process to fill in the gaps.

⁶ Decision 2002/EB.A/4.



24. The “WFP Biennial Management Plan (2004–2005)” presented to EB.3/2003 was based on a review of best practice elsewhere in the United Nations system, including the harmonized budget formats adopted by other United Nations funds and programmes. The plan showed expected results, indicators and resources needed to implement the first two years of the 2004–2007 Strategic Plan. It indicated the resources required for operational budget and related support costs and linked operational and management activities with WFP’s strategic and management priorities.
25. In an important departure from previous practice, the Management Plan is “needs-driven” — it reflects the resources necessary to implement approved activities over the first two years of the 2004–2007 Strategic Plan. Previous budgeting practice focused on estimated levels of fund-raising rather than approved programme levels. The Board was invited to take note of the operational budget/programme of work and to approve the PSA budget.
26. During EB.3/2003, the Board requested regular updates on the Management Plan in order to monitor follow up on the suggested improvements and the implementation of the plan. Four notes were submitted to the Board for information, the first to EB.A/2004, the second to EB.3/2004, the third to EB.1/2005 and the fourth to EB.A/2005.
27. The “Biennial Management Plan (2006–2007)” will be considered by EB.2/2005⁷ following informal consultations with Member States in early September 2005 and late October 2005. The plan is more concise than its predecessor but otherwise follows the same structure. It provides information requested by the governing and advisory bodies during the review of the first plan and has evolved significantly in section III: 2006–2007 Support Budget. The previous plan provided detailed results by organizational unit for all major units. Although these are important for the management of WFP, they are of less relevance from a governance perspective. The results by organizational unit are now compiled into an internal management document.
28. Follow-up work on programming principles was much influenced by the development of common practices for the United Nations funds and programmes as part of the harmonization of country programming.
29. At EB.3/2002, the Board approved the harmonized procedure for country programme approval with several WFP-specific adjustments. This is reflected in the Review of Programme Harmonization and Programming Processes with Reference to WFP’s Programme Cycle.⁸ The effect of this was that the Board considered draft country programmes at EB.A but no longer discussed the precursor country strategy outlines (CSOs) or, as a matter of routine, the subsequent country programme documents. This procedure brought WFP into line with the United Nations Development Programme (UNDP), the United Nations Children’s Fund (UNICEF) and the United Nations Population Fund (UNFPA).
30. Country programmes are dealt with on a “no-objection” basis: any agreed amendments are incorporated in the final version of the document, which is posted on WFP’s external website following EB.A. It is considered approved at the October/November session of the Board unless five or more members of the Board request further discussion. In that event the document is considered further at that session. The document “Country Programme Approval Procedure”, which outlines those procedures, was presented to EB.2/2003.

⁷ Biennial Programme of Work of the Executive Board (2005–2006) WFP/EB.A/2005/11-A/Rev.1.

⁸ Decision 2002/EB.3/3.



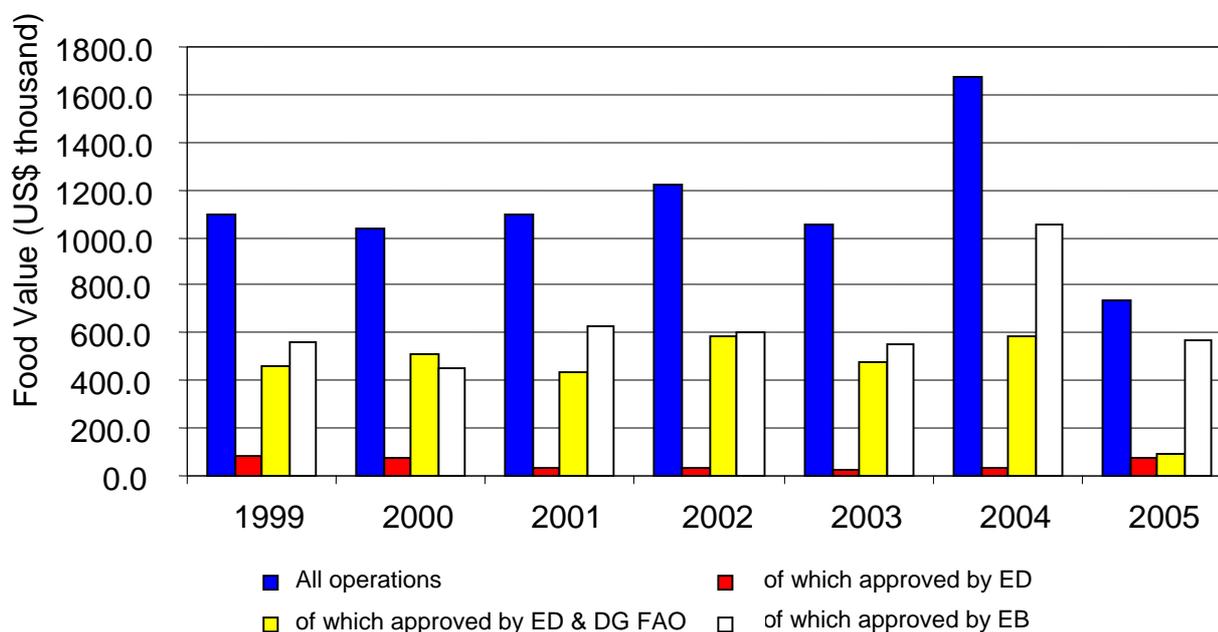
31. The concept of joint programming has been considerably refined in the United Nations Development Group (UNDG) *Guidance Note on Joint Programming* issued in March 2004. This has led to further proposed changes now reflected in the first common country programme, for Cape Verde, which will come to the four Boards of the funds and programmes at their autumn sessions in 2005. Discussions continue in New York about simplification and harmonization; the Boards of the funds and programmes will be invited to consider further measures in due course.
32. Following Bureau discussions about more efficient use of Board time in 2002, a procedure was put in place experimentally at EB.3/2002 whereby geographical issues for consideration are presented in regional groups, introduced by the Regional Director. The new approach was generally welcomed on the grounds that it gave the Board a more coherent picture of issues arising in particular regions; it is now an established feature of the Board's working methods.
33. With regard to the issue of delegated authority, the Board approved at EB.3/2004 a proposal in the document "Increased Delegation of Authority to the Executive Director for Approval of Operations and Budget Revisions" that the Executive Director should have the authority to approve protracted relief and recovery operations (PRROs) and PRRO budget increases with a food value of up to US\$20 million.⁹ The rationale was to enable WFP to respond more quickly to emergencies without waiting for a Board session and to free Board time from operational matters to focus on strategic, policy and thematic issues. The change is to be formally reflected in an updated version of the Appendix to the General Rules dealing with delegation of authority to the Executive Director in accordance with Regulation VI.2 (c).¹⁰ It is subject to review after two years at EB.2/2006.
34. The Secretariat will make a further proposal to extend the authorities delegated to the Executive Director at EB.2/2005. This is reflected in the document "Revised Delegation of Authority to the Executive Director for Approval of Projects and Budget Revisions for Development Portfolio".¹¹ If approved, this would also have an effect on the workload of the Board: changes in country programme components within the framework of approved activities would be included in the authorities delegated to the Executive Director and would no longer go to the Board.

⁹ Decision 2004/EB.3/33, WFP/EB.3/2004/15.

¹⁰ The Appendix to the General Rules — Delegation of Authority to the Executive Director related to General Rule VI.2 (c) will be revised accordingly.

¹¹ WFP/EB.2/2005/11.



Table 1: Food Value of Operations

Accountability

35. The core of the accountability framework is a new APR presented to EB.A based on the Biennial Management Plan previously approved. The intention of the Governance Group was that the report should replace the former Annual Report of the Executive Director, summarize the findings of evaluations completed in the year under report, thus contributing to discussion on accountability for results at outcome and impact levels, and include as annexes information previously provided in separate documents on post-delivery losses, the resourcing status of operations and action taken on Economic and Social Council (ECOSOC) resolutions. In the event this scheme was adapted in certain respects, as described below.
36. The first APR, for 2003, was submitted to the Board for approval at EB.A/2004. It bridged two strategic planning and budgetary periods, looking back at 2003 performance against the original strategic framework and looking forward to see how that performance would stand up against the new Strategic Priorities and Management Priorities. The aim was to inform the Board about performance in 2003 from two perspectives and to begin to refine WFP's approach to annual performance reporting in a results-based framework.
37. The year 2004 was pivotal in the application of the new governance tools: it was the first year to which the new-style Strategic Plan and Biennial Management Plan were fully applied and in which the full APR was prepared and presented to EB.A/2005. Discussion of the format of the report by the Secretariat and the Governance Group had established three principles: (i) measure results according to the new strategic and management priorities; (ii) gradually increase outcome-level and output-level reporting as RBM tools and practices were progressively integrated across WFP; and (iii) present the main findings and lessons learned from evaluations. The 2004 APR adhered to all of these principles and for the first time placed results-based performance reporting completely within the new WFP governance arrangements.



38. Other corporate reporting to the Board and WFP's parent bodies was left for later consideration. The upshot was Board approval at EB.A/2004 of the document "Streamlining Corporate Reporting to the Executive Board and WFP Parent Bodies",¹² which conflated three reports — Section II of the former Annual Report of the Executive Director, the Report on Follow-Up to General Assembly and ECOSOC Resolutions and the Progress Report on General Assembly Resolution A/RES/56/201, Triennial Comprehensive Policy Review (TCPR) — into a single Annual Report to ECOSOC and the FAO Council. The Report on Post-Delivery Losses and the Joint Inspection Unit (JIU) report remained separate. The first "Annual Report to ECOSOC and the FAO Council"¹³ was submitted to the Board at EB.1/2005 instead of EB.A as in the past.
39. The accountability framework was further enhanced during implementation of the Governance Project by five important Board decisions: (i) to examine best practice in oversight mechanisms in the public and private sectors; (ii) to require WFP to develop a risk-management strategy; (iii) to invite the Executive Director to develop a Statement on Internal Control; (iv) to play a more proactive role in discussing the proposed work programme of the External Auditor; and (v) to review the management of the evaluation function. These are explained below.
40. Action on the first three issues arose from the Board's discussion of the biennial "Report of the Office of the Inspector-General (2000–2001)"¹⁴ at EB.3/2002. The Board discussed internal oversight mechanisms and requested the Secretariat to submit a paper. The resulting "Best Practices in Oversight Mechanisms",¹⁵ presented to EB.3/2003, compared WFP's approach to oversight with practice in the public and private sectors and other United Nations agencies in the broader context of a discussion of corporate governance and risk management.
41. The Board's consideration of the paper had three results. First, the Executive Director made a commitment to introduce a Statement of Internal Control, currently envisaged for presentation with the Financial Statements in 2008 for the 2006–2007 biennium. Second, the Executive Director decided, with the Board's endorsement, to alter the composition of the internal Audit Committee by appointing an independent chair and a majority of external and financially expert members and to bring the terms of reference of the Audit Committee into line with best practice. The reconstituted committee held its first meeting in August 2004. The Executive Director is currently considering further changing the membership of the Audit Committee by confining it to experts from outside WFP and to provide for an annual presentation to the Board by the Chair of the Committee entitled "Annual Report of the WFP Audit Committee".¹⁶ Third, the Board decided that WFP should develop a risk-management strategy, the draft of which was discussed at an informal consultation in May 2005 and will come to the Board for approval at EB.2/2005. In an important related development, the Secretariat will propose to the Board at EB.2/2005 that WFP should implement the recommendation of the External Auditor at EB.1/2005 that WFP should adopt International Accounting Standards by 2008.¹⁷

¹² WFP/EB.A/2004/5-F.

¹³ WFP/EB.1/2005/4-C/Rev.1.

¹⁴ WFP/EB.3/2002/5-F.

¹⁵ WFP/EB.3/2003/5-D/1.

¹⁶ WFP/EB.2/2005/5-H/1.

¹⁷ WFP/EB.2/2005/5-C/1.



42. At EB.3/2002, the Board decided to discuss with the new External Auditor the idea of presenting periodic reports on management matters as they arose during the biennium, rather than all together at the end. In the first Audit Programme¹⁸ covering the 2002–2003 biennium, presented to the Board at EB.1/2003, the External Auditor agreed to follow this arrangement by envisaging interim reporting to the Board during the biennium and by raising management letters with the Executive Director as issues arose. The first such reports went to EB.3/2003. Under the adapted procedure, a consolidated report continues to be presented for consideration at the end of the biennium to accompany the financial statements and audit opinion and to comply with the Financial Regulations.
43. In the course of considering and approving a paper entitled “WFP’s Evaluation Policy”¹⁹ at EB.3/2003, the Board decided to ask the Governance Group to examine on an ad hoc basis various issues relating to the management of evaluation. The outcome was a Secretariat proposal, endorsed by the Group and approved by EB.A/2005, to (i) establish an internal evaluation committee, (ii) hold an annual informal consultation on evaluation, the first of which took place on 19 May 2005, (iii) appoint more evaluation professionals, including the Director of Evaluation, and (iv) strengthen the arrangements for peer review of evaluation studies and the evaluation function itself.

THE FUNCTIONS OF GOVERNANCE: INFORMATION-SHARING, DIALOGUE AND CONSENSUS-BUILDING, AND DECISION-MAKING

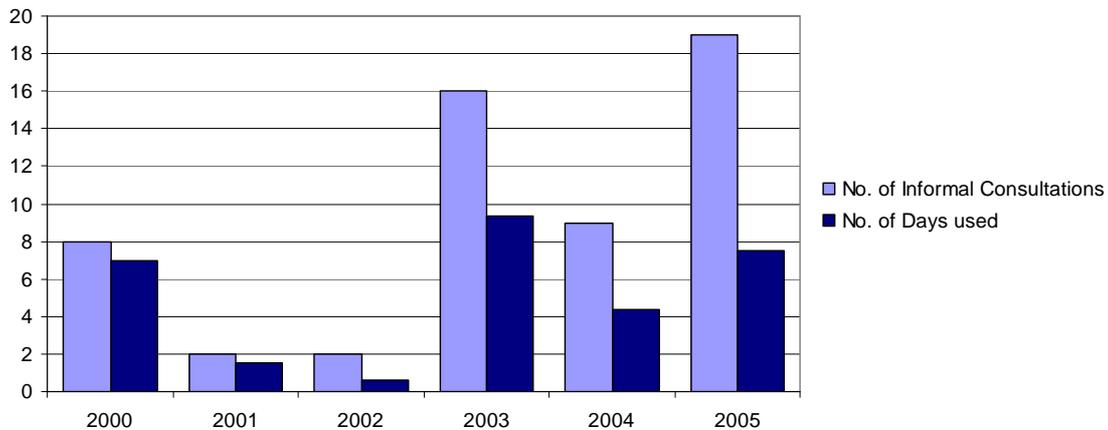
44. The Governance Group characterized the work of the Board as involving three broad functions: information-sharing, dialogue and consensus-building, and decision-making. The group noted that dialogue was at the heart of effective decision-making in a Board that is required by its rules of procedure to take decisions by consensus. With regard to dialogue and consensus-building, the group recommended that the Board should aim to make more use of informal consultative processes before issues were brought to it for decision and that each session of the Board should begin with a discussion of current and future strategic issues, initiated by the Executive Director.
45. The recommendation on informal consultations was implemented with effect from EB.3/2000 as part of the Board’s consideration of its forward Biennial Programme of Work, itself an innovation recommended by the Governance Group (see paragraph 60). The identification of subjects that would benefit from discussion in such consultations is now an established feature of the Board’s annual review of its work programme; proposals come from both the Board and the Secretariat.
46. Eight informal consultations were held in 2000 before the presentation of the “Report on Governance” at EB.A/2000. Between approval of its recommendations and September 2005, 48 informal consultations took place; the topics have ranged widely (see Annex IV). The length of the consultations varied from one hour to all-day meetings. Attendance has ranged from 40 to 80 delegates per session. Table 2 shows a trend towards grouping more informal consultations during one day to make the Board’s working days more efficient.

¹⁸ “Programme of Work of the External Auditor for the 2002–2003 Biennium: A Paper by the External Auditor for the Executive Board”, February 2003 (WFP/EB.1/2003/5-B/1).

¹⁹ WFP/EB.3/2003/4-C.

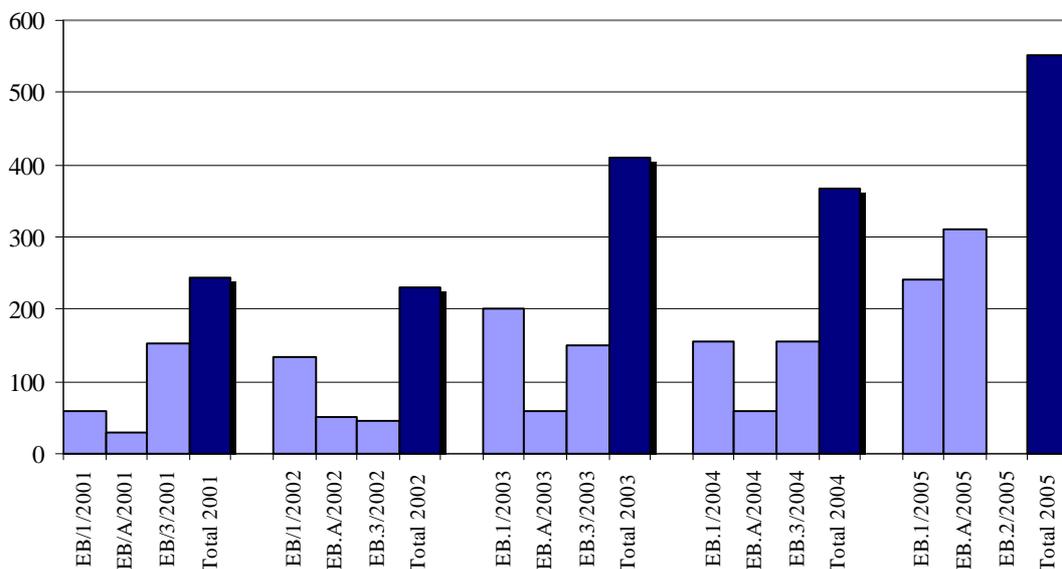


Table 2: Informal Consultations and Time Utilization



47. The recommendation that each session should start with a short discussion of current and future strategic issues initiated by the Executive Director was implemented from EB.1/2001; like informal consultations, it is now an established part of the Board’s working methods. In 14 Board sessions the time devoted to this point of the agenda has varied between 30 and 312 minutes, with a tendency to increase, as shown in Table 3.

Table 3: Current and Future Strategic Issues Discussion



THE PROCESSES OF GOVERNANCE: MEETINGS AND DOCUMENTATION

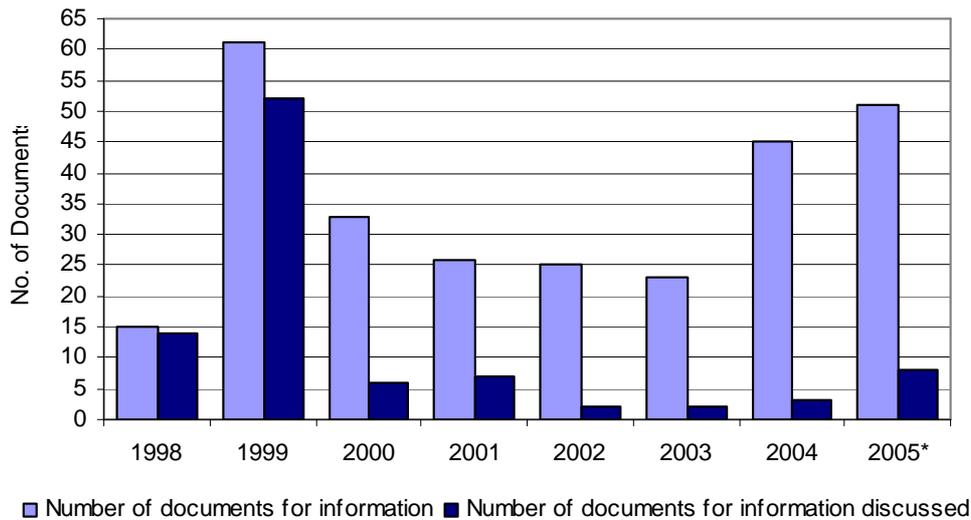
- 48. The Governance Group made five recommendations under this heading, some of which covered more than one task.
- 49. The first concerned the annotated agenda and the handling of information papers. It was proposed that the format of the annotated agenda for Board meetings should be revised to show why the issues were being put to the Board and whether they were for information or decision,



and to identify the relevant background papers. Items for information would not be discussed unless this had been proposed by a Board member in advance and the President had accepted that it represented a proper use of Board time.

50. Both parts of the recommendation were implemented with effect from EB.1/2001. Table 4 shows that there is no clear trend either in the number of information documents or successful requests for discussion of them, though the latter shows signs of increasing in the last three years.

Table 4: Information Documents and their Discussion



Note: Table 4 includes documents for information for EB.2/2005, excluding discussion.

51. Since the inception of the WFP Board in 1996, reports of proceedings had taken the form of a Statement of Decisions and Recommendations and a separate Summary of Work. The purpose of the Summary was to reflect the main points of Board deliberations to be taken into account by the Secretariat in implementing the Board's decisions and recommendations. The Governance Group recommended some modest streamlining of this with a consolidated statement of decisions to be distributed and adopted immediately after the end of substantive discussion rather than half a day later, and a summary record issued within a fortnight and adopted under a silent procedure.



52. The recommendations were put into effect at EB.A/2000 and have been successfully applied since then. Issuing the summary within a fortnight has, however, proved impracticable: editing and clearance typically take one month, after which the draft is submitted for review by the Rapporteur and then goes to Board members before formal ratification in the following Board session. The experience of this procedure since late 2000 is that Board members usually receive the draft approximately two months before the following session, and that requests to revise the draft are uncommon.
53. The upshot of the Governance Group's recommendation that Board documents should follow a prescribed format was a Secretariat document "Streamlining Board Documentation",²⁰ which proposed that all documents, other than those for information, should include an executive summary and a draft decision and should adhere to a word limit.²¹
54. The Board reviewed the matter during the discussion of the Biennial Programme of Work at EB.3/2004 under the aspect of cost savings in terms of Board time and translation. It recommended that the policy endorsed by the Bureau in early 2004 on a trial basis should be maintained. In practice, these recommendations had been implemented with effect from EB.2/2003. Annex V shows the average number of pages and documents per session between 2000 and 2005; there is some evidence of improvement but the change is not yet decisive.
55. At the end of 2004, the Secretariat consolidated the changes summarized above into a booklet entitled *Guidelines for Documents Submitted to the WFP Executive Board* that included recommendations on style; it was issued to all staff in early 2005.
56. The Governance Group's recommendation to develop guidance notes on participation in meetings resulted in *Guidelines for the Meetings of the Executive Board of the World Food Programme*, which was considered at EB.3/2001. This companion piece to the Rules of Procedure of the Board summarizes the general approach to governance recommended by the Governance Group and serves as a compendium of advice on chairing and participating in the meetings of the Board. The Guidelines are now included in the briefing package and induction programme for new delegates (see paragraph 67). A summary of the guidelines is sent out with the Annotated Agenda for each Board session and is available at all Board meetings.

THE ANNUAL PROGRAMME OF WORK

57. The Governance Group recommended (i) that the number of Board sessions and meeting days, including those for informal consultations, should be reduced, (ii) that the Board should plan its own work programme, including pre-session briefings, and reflect on its conduct of business over the preceding 12 months and (iii) that resource consultations should continue.
58. Reducing the number of Board sessions has had to await the implementation of other governance recommendations, notably those related to the handling of country programmes

²⁰ WFP/EB.1/2004/INF/7. Word limits are: non-operational documents – 6,000 for policy documents, 7,000 for Financial documents and 4,000 for other documents; operational documents – 6,000 for country programmes and PRROs and 7,200 for regional PRROs.

²¹ In addition, while acknowledging that the quality of WFP documents was generally good, the Governance Group saw room for improvement and recommend that all documents presented to the Board should ensure that the wider context of the subject under discussion is made clear, that detail so far as possible should be relegated to annexes, and that the documents should be subject to an internal process of quality control aimed at readability.



(see paragraph 30). At EB.3/2004, the Board approved the reduction of the number of its sessions from four to three per year, as set in out in “Reducing the Number of Board Sessions”,²² starting in 2005; EB.2 and EB.A were combined to give three sessions per year in January/February, May/June and October/November. Although it was expected that the total number of meeting days would consequently decrease in 2005, this has not proved to be so (see Annex VI). Informal consultations are usually scheduled to precede a Board session but are not by definition a formal part of the Board’s proceedings.

59. The recommendation that the Board should plan and reflect on its own business has been implemented by an annual review each October/November, starting at EB.3/2000, of a draft Programme of Work for the forthcoming biennium. At the same time, the Board is invited to consider whether there are any lessons to be learned from the way it has conducted its business over the preceding 12 months. The draft Biennial Programme of Work is based on issues arising in Board sessions and proposals from the Bureau and the Secretariat.
60. Resources consultations continued to be held in the margins of each Board session until October 2003. In response to a Secretariat view that such consultations in their traditional format had outlived their usefulness and should be superseded by ad hoc discussions proposed by the Secretariat or the Board, the Bureau agreed to suspend the practice with effect from EB.1/2004.²³ Since then, informal consultations on resources have been convened as required. There were six in 2004; the total in 2005 will be five.
61. Pre-briefing sessions have fallen into disuse since the Governance Group reported in 2002, having been superseded by informal consultations on specific subjects. However, it remains open to the Board to decide that such sessions should be held when it considers its Biennial Programme of Work each year.

THE STRUCTURES OF GOVERNANCE: THE PARENT BODIES, THE BOARD, THE BUREAU, THE ELECTORAL LISTS AND PERMANENT REPRESENTATIONS

62. During the original work on governance issues, questions were raised about the so-called dual parentage of WFP, specifically (i) the roles of the Executive Board, the General Assembly, ECOSOC and the FAO Council and Conference, (ii) the role of the FAO Director-General in the approval of EMOPs and (iii) the dual advice and reporting lines for budgets, accounts and certain other matters to FAO and the United Nations. The Governance Group noted that these arrangements imposed extra costs and introduced delays and in its 2000 report to the Board recommended that they should be looked at in due course. The group reviewed the issue in early 2005 and concluded that it was not a priority task, a view with which the Bureau subsequently concurred.

²² WFP/EB.A/2004/5-E.

²³ NFR, Bureau meeting 14 January 2004.



63. At EB.1/2002 the Board asked the Governance Group to review the process under which the Board is consulted by the Secretary-General and the Director-General of FAO in the appointment of the Executive Director of WFP.²⁴ The group took up the matter in late 2004. It will be the subject of an oral statement to the Board at EB.2/2005.
64. The Governance Group saw the main functions of the Bureau as maintaining a flow of information to and from the electoral lists, conducting an ex post review of each Board meeting to ensure that all issues for follow-up have been correctly identified and managing planning for succession to the posts of President and Vice-President. This is consistent with the Rules of Procedure other than for the strategic planning of the Board's work, which the Governance Group argued was a function of the Board itself. In practice, as described above, the Board agreed with the Governance Group and has acted accordingly since 2001.
65. Procedures for succession planning in the Bureau came under review by the Governance Group following the possible early departure of the President of the Board in 2002. A paper entitled "Replacement of the President or other Members of the Executive Board Bureau during the Course of a Calendar Year"²⁵ was agreed by the Group in early 2005. The subject remains under examination by the Bureau.
66. The Governance Group recommended that briefing sessions for new members of the Board should be developed into an induction programme, the first of which was held in October 2001; it was repeated twice in 2002, once in 2003 and twice in 2004. The induction programme for 2005 is scheduled for the end of October. The programme has been adapted session by session in the light of experience; feedback has been for the most part very positive. The initiative has recently been imitated by the other United Nations funds and programmes following a visit to Rome in October 2003 by the secretaries of the New York Executive Boards.

ASSESSMENT AND REFLECTION

The Roles of Governance

67. Our assessment is that development of the tools to support the four frameworks — strategic, policy, oversight and accountability — is a major step forward in the governance of WFP. We think that the tools measure up well against best practice elsewhere in the international and public sectors, that their development has been a valuable learning experience for the Board and the Secretariat, and that the tools provide an excellent basis for further evolution. We take particular satisfaction from the work done under the accountability framework, which has expanded and evolved beyond the original recommendations accepted by the Board in 2000 as a result of productive dialogue between the Board, the Secretariat and the External Auditor. To the best of our knowledge, WFP now leads the United Nations system in this field.

²⁴ Decision 2002/EB.1/22.

²⁵ NFR, Bureau meeting 24 May 2005.



The Functions of Governance

68. With regard to information sharing, dialogue and consensus-building and decision-making, our assessment is as follows.
69. Informal consultations have been a resounding success in terms of efficiency, consensus-finding and improved decisions. They have consistently attracted a large attendance by all Lists of Board members and observers; the quality of presentation and discussion has been high; and it is evident that topics dealt with in informal consultations typically have an easier and faster passage when they are considered formally by the Board. We have noticed, however, that such consultations are less useful where the papers are circulated only a day or so in advance of the session. In that event the occasion becomes more of a briefing than a discussion, and there may be a need for another session to discuss the substance once delegates have had a chance to reflect. The Board might want to adapt its working methods by stipulating that papers for informal consultation must be circulated at least a week in advance, in all Board languages.
70. The Executive Director's statement on current and future strategic issues at the start of each Board session has been widely welcomed and is now an established feature of business. The Governance Group's suggestion that the discussion should be short has been largely lost sight of, but the hope that the discussion would be free-flowing, informative and useful in identifying subjects needing attention in future has, we think, been borne out in practice. There is a tendency for this item on the agenda to become an occasion for general statements by visitors and delegations: the Board might want to discuss whether this is the right place in the proceedings for such statements.

The Processes of Governance

71. Introduction of the rule that documents for information are not discussed unless a convincing case is made to the President beforehand has in our view contributed to the efficiency of the Board's proceedings; it marks a useful step towards a "consent agenda" – one in which the Board is informed about issues but makes a choice whether to discuss them.
72. The format, quality and style of Board documents have improved significantly as a result of the Governance Project. Authors and editors have in our view done a consistently good job of ensuring the papers considered by the Board are well argued and presented. But the papers are still arguably too long and perhaps too numerous (see paragraph 76). Documents are expensive to draft, translate, reproduce, present and read. Digesting them places a particular burden on members of the Board and observers who cannot call on a large staff, and consequently puts such people at a disadvantage. It follows that reducing the amount of paper would make an important contribution to efficiency, provided of course that quality did not suffer. We suggest (i) that the word limit of between 4,000 and 7,200 words depending on document type (see paragraph 54) should be scrupulously observed except for the Strategic Plan, the Biennial Management Plan and the Annual Performance Report, (ii) that every document should include a footnote recording the number of words and (iii) that the Secretariat should circulate a table at the start of each session showing how many documents there are in each agenda category, the number of words/pages and how many of the documents were circulated by the deadline.
73. Producing guidance material on participation in Board meetings has in our view had a limited impact. We think that interventions are shorter and crisper than they used to be, but the balance between statements prepared in advance, sometimes on behalf of Lists or groups, and interventions that are reactions to the discussion still leaves something to be desired. As in the



Governance Group's original 2000 report, we should like to shift the balance towards more interactive discussion. We should be interested to hear views from members of the Board as to whether they agree and if so what steps might be taken to move in this direction.

74. The effectiveness and efficiency of Board proceedings depends crucially on the President. The words of the original Governance Report bear repeating: "Successful chairing is a distinct competence which demands knowledge of the subject under discussion, good interpersonal skills, self-confidence, stamina and practice. This combination of qualities is found less often than is commonly supposed." WFP is helped in this respect by its tradition, unique in the United Nations funds and programmes, of appointing a Vice-President of the Board who serves for a year and then takes over as President, which serves as a valuable induction into the management of Board proceedings. It was one of the features of WFP governance admired by the secretaries of the UNDP, UNICEF and UNFPA Boards when they came to Rome to observe WFP's Board in October 2003.

Annual Programme of Work

75. Our assessment of the experience of the last five years is that the Board is developing a more strategic approach to planning its business, as recommended by the Governance Group, but that there is some way to go. Among other things, this has a vital bearing on the number of topics to be considered annually and thus on the length and cost of sessions. Similarly, the annual retrospective review of the conduct of Board business over the previous 12 months has not yielded much useful comment. We suggest that both tasks could be done more satisfactorily if they were better prepared in advance, perhaps on the basis of a review by the Bureau supported by the Secretariat.

CONCLUSION

76. At the end of its report to the Board in 2000, the Governance Group wrote: "Taken as a whole we believe that [our recommendations] will contribute significantly to the governance process; and will accordingly improve the effectiveness and efficiency of the Programme in reaching the hungry people whose interests it is there to serve." That belief has in our view been vindicated by an outstanding and productive partnership between the Board and the Secretariat in implementing the action plan over the last five years. We think that WFP may fairly claim to be one of the best governed agencies in the United Nations system — perhaps the best — and we count it a great privilege to have had the opportunity to contribute to this result.



ANNEX I

MEMBERSHIP OF THE GOVERNANCE GROUP 1999–2005		
List A	Mr Yohannes Tensue Mr Ahmed Hachemi Mr Medi MOUNGUI	March 1999–April 2000, November 2003 January 2003–July 2003 February 2004–November 2005
List B	Mr Adnan Bashir Khan Mr Govindan Nair	March 1999–July 2003 November 2003–November 2005
List C	Mr Juan Siles Mr Miguel Barreto Mr Alfredo Nestor Puig Pino	March 1999 April 2000–February 2004 December 2004–November 2005
List D	Mr Anthony Beattie	March 1999–November 2005
List E	Mr Igor Shapovalov Mr Milan Paksi	March 1999–April 2000 December 2004–November 2005



ANNEX II**ANNEX II OF THE REPORT OF THE WORKING GROUP
ON GOVERNANCE (WFP/EB.A/2000/4-D)****THE GOVERNANCE OF WFP****Status**

WFP is jointly established by the United Nations and the Food and Agriculture Organization of the United Nations (FAO). It is regulated by its General Regulations which are approved by its establishing bodies, the United Nations General Assembly and the FAO Conference. Changes to the General Regulations require the approval of the establishing bodies (see paragraph 14 on General Regulations below).

Membership

WFP has no formal membership, although countries that participate in its various activities are often informally referred to as “Member States”. Participation in the governance of the Programme is open to any State Member of the United Nations, or Member Nation. Any member of these organizations wishing to be elected to a seat on the governing body—the Executive Board—needs to be listed by the United Nations or FAO in one of the five, essentially geographic, electoral lists A-E (see Appendix A to the General Regulations).

The Executive Board

The General Regulations establish the organs of WFP as (a) an Executive Board and (b) a Secretariat (General Regulations, Article V).

The Executive Board of WFP is composed of 36 States Members of the United Nations or Member Nations of FAO elected by ECOSOC and the Council of FAO from among the States listed in Appendix A of the General Regulations in accordance with the distribution of seats set out in Appendix B (General Regulations, Article V (a)).

The Board is subject to the general authority of ECOSOC and the Council of FAO.

Within the framework of the General Regulations, the Board is responsible for providing intergovernmental support and specific policy direction to and supervision of the activities of WFP in accordance with the overall policy guidance of the General Assembly of the United Nations, the FAO Conference, ECOSOC and the Council of FAO, and for ensuring that WFP is responsive to the needs and priorities of recipient countries.

The functions of the Board are to:

- i) help evolve and coordinate short-term and longer-term food aid policies;
- ii) be responsible for the inter-governmental supervision and direction of the management of WFP, including:
 - monitoring the performance of WFP, and reviewing the administration and execution of WFP’s activities;
 - deciding on strategic and financial plans and budgets;



- iii) review, it by the Executive Director. It may delegate to the Executive Director authority for such approvals;
- iv) review, modify as necessary, and approve the budgets of programmes, projects and activities, and review the administration and execution of approved programmes, projects and activities of WFP (General Regulations, Article VI.2).

The Board provides an annual report on WFP's programmes, projects and activities including major decisions of the Board to the substantive session of ECOSOC and the Council of FAO (General Regulations, Article VI.3).

The Board is required to hold an annual session and such regular sessions as it considers necessary. In exceptional circumstances it may hold special sessions on request submitted in writing by at least one-third of the members of the Board, or with the concurrence of one-third of the members of the Board on the call of the Secretary-General of the United Nations and the Director-General of FAO, or on the call of the Executive Director (General Regulations, Article VI.5).

Currently the Board holds an Annual Session in May and three Regular Sessions: one in January or February, a second in May contiguous with the Annual Session, and the third in October. These sessions generally total about 14 meeting days per year.

The Secretariat

The Secretariat is headed by the Executive Director who is appointed by the Secretary-General of the United Nations and the Director-General of FAO after consultation with the Board. The Executive Director may be re-appointed by the same process for a maximum of one further term. Each term of office is five years. (General Regulations, Article VII. 2 and 3).

The Executive Director is responsible for the staffing and organization of the Secretariat. The selection and appointment of senior officials above the level of D2 is required to be made by the Executive Director in agreement with the Secretary-General of the United Nations and the Director-General of FAO (General Regulations, Article VII.5).

General Regulations, General Rules, Financial Regulations and Financial Rules

WFP is regulated by its General Regulations, General Rules, Financial Regulations and Financial Rules.

The **General Regulations** were established by the WFP Executive Board—its governing body—by approving draft regulations and recommending them for approval by the United Nations General Assembly, through ECOSOC, and by the FAO Conference, through the FAO Council. Any amendments to the General Regulations require approval through the same process (General Regulation XV). This means that changes can only be made at two-year intervals as, FAO Conference—FAO's governing body—meets only in odd numbered years.

The **General Rules** were established and may be amended by decision of the WFP Executive Board which then must submit them to ECOSOC and the FAO Council for their information (General Rule XV.1).

The **Financial Regulations** are established by the Executive Board after receiving the advice of the United Nations Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the FAO Finance Committee (General Regulation XIV.5). Amendments to the Financial Regulations may be made in the same way.



The *Financial Rules* are established by the Executive Director of WFP and circulated for the information of the Executive Board, the ACABQ and the FAO Finance Committee (Financial Regulation 2.2).

Finance

In all matters relating to the financial administration of WFP, the Board is required to draw on the advice of the ACABQ and the Finance Committee of FAO.

The Board is required to exercise full intergovernmental supervision and scrutiny of all aspects of the WFP Fund while the Executive Director has complete responsibility and accountability to the Board for its operation and administration, and for the financial management of the activities of WFP. The WFP Fund receives all contributions to the Programme, and from it all the costs of administration and operation of WFP are met. The General Fund includes all sub-funds and accounts such as the Immediate Response Account (IRA) (General Regulations, Article XIV).

While approval of a proposed intervention gives the Executive Director authority to commit funds, implementation of the intervention remains subject to the receipt of appropriate contributions.

Key Reports and Papers Submitted to the Executive Board

A number of reports and papers are presented to the Board for its information or consideration and approval to assist it in governing the Programme. Some of these reports are received annually and others biennially as required by the General Regulations. The key reports are listed below, together with their purpose, frequency and main content categories.

Strategic Documents

The Strategic and Financial Plan (required by General Regulations, Article VI; General Rule V.1) covers a four-year period and is prepared every two years on a rolling basis. The plan analyses the WFP environment externally and internally, proposes objectives and strategies, projects resources and proposes a plan of work for the ensuing financial period.

Policy Documents

At the request of the Board and on the initiative of the Secretariat, papers on broad and more restricted aspects of interventions, resourcing, structure and emphasis of the Programme are submitted at times determined by the Board in setting its annual programme of work. These have included policies on PRROs, development projects and activities, environmental aspects of WFP's work, Resource and Long-term Financing (R<F) and monetization of commodities.

Finance documents

Biennially, the Board considers for approval the *WFP Budget*. The paper builds upon the Strategic and Financial Plan by updating resource projections and outlining the activities to be undertaken in each Programme Category over the following two years. It proposes broad budget lines of expenditure, the rate of Indirect Support Cost (ISC) recovery on the projected resource volume to meet the Programme Support and Administration (PSA) budget requirements, the target level for the IRA and the level of the Direct Support Cost (DSC) Advance Facility.



In the years between each biennial budget, the Board considers for approval a ***Budgetary Performance Report*** which shows the receipt of resources against those planned for in the budget, and the expenditure of the Programme against its projected needs by Programme Category and within the PSA budget.

In the year following each budget biennium, the Board receives the ***Audited Statement of Accounts***, together with the ***Comments of the External Auditor***. These provide the Board with a certified statement of the income and expenditure of the Programme and the compliance of the Programme with the General Regulations and Rules, and the decisions of the Board.

Accountability Documents

The Board receives biennially a ***Report of the Office of the Inspector-General*** on its investigations into misconduct, suspected fraud or other, similar situations involving WFP activities.

Reports of the ***Evaluations*** undertaken by WFP of its interventions are received by the Board according to the schedule in the Evaluation Work Plan endorsed annually by the Board.

An Annual ***Report on the Post-delivery losses of Commodities is provided to the Board***.

The Executive Director reports to the Board annually on:

- ***EMOPs and PPROs*** approved under his/her delegated authority; and
- ***Waivers*** granted under his/her delegated authority for the acceptance of contributions, with DSC and/or ISC being met from the WFP General Fund.

The ***Annual Report of the Executive Director*** provides the Board, as required by General Rule VII.2, with a comprehensive view of the operational activities of WFP, its resource position, the results of programme and project evaluations, and progress made in achieving targets and policies established by the Board.

Approval of Interventions

The Board considers and comments upon ***Country Strategy Outlines***, according to a schedule agreed by the Board through the Strategic and Financial Plan.

Country Programmes are considered and approved by the Board according to the timetable proposed in the Strategic and Financial Plan. Approval of a Country Programme authorizes WFP to proceed with the outlined activities and to commit resources as they are made available by contributors.

Proposals and Budgets for PPROs and Development Interventions (for countries without an approved WFP Country Programme) are considered and approved by the Board as required.

Delegation of Authority to the Executive Director

The following is the authority delegated to the Executive Director by the Board in accordance with General Regulation VI.2 (c).



Development

Approval of projects that are in line with an approved Country Programme, as well as the reallocation of resources among programme activities, up to a maximum of 10 percent of their cost estimates, subject to the availability of resources.

Approval of projects for which the food value does not exceed US\$3 million, except the following which shall be referred to the Board:

- complex projects or those requiring the coordination of a large number of agencies;
- projects involving innovative approaches, or embracing controversial steps;
- projects for which two or more expansions have already been approved;
- projects that include a large proportion (greater than 50 percent) of open market commodity monetization (not including sales of WFP commodities for the purpose of purchasing food products for direct distribution, a modality regarded as commodity exchange and not considered as monetization by the CFA in its discussion at the Twenty-fourth Session in October 1987).

Emergency Operations

- All emergency operations whose food value does not exceed US\$3 million dollars. Above that level, approval will be made jointly by the Executive Director and the Director-General.

Protracted Relief and Recovery Operations

- Approval of protracted relief operations whose food value does not exceed US\$3 million.

Project Budget Revisions

- Approval of budget revisions for a food value of up to US\$3 million or 10 percent of the food value prevailing at the time of the increase, whichever is less.
- Approval of budget revisions of more than 10 percent of the food value in cases where the total revised food value is less than US\$3 million.

The total of such increases for any country in any calendar year may not exceed twice the authority delegated to the Executive Director for project approval



ANNEX III: SUMMARY LIST OF RECOMMENDATIONS FROM THE ORIGINAL GOVERNANCE REPORT

Governance recommendation and reference letter	When the resulting action went to the Board; paper and reference (if existing)	Relevant paragraphs
Preliminary Work of the Working Group on Governance: Discussion Papers.	<p>Preliminary Overview of Issues on Governance Identified by the Delegates, June 1999.</p> <p>Issues and Options for Strengthening the Governance of WFP, August 1999.</p> <p>The Blue Paper – a discussion Paper on the Governance of WFP, December 1999.</p> <p>Issues, Concerns and Best Practices in the Non-Governmental, Corporate and Public Sectors, April 2000.</p> <p>Managing the Constructive Tensions – The Challenges of the Governance of Inter-Governmental Organizations, April 2000.</p>	6
The Board should focus on strategy, policy, oversight and accountability, operating through four interlinked frameworks.	<p>See action taken for (b) to (w)</p> <p>Decisions and Recommendations of the Annual Session of the Executive Board (Approval of recommendations [k] to [w]), 2000/EB.A/6.</p> <p>Decisions and Recommendations of the Third Regular Session of the Executive Board (Approval of recommendations [a], [c to j]), 2000/EB.3/1.</p> <p>Follow-up to Executive Board Decision 2000/EB.A/6 on Governance (including Legal Implications), WFP/EB.3/2000/3-A.</p> <p>Measures Taken and Planned to Implement the Governance Decisions of the Executive Board, WFP/EB.2/2001/INF/10.</p> <p>Amendments to General Rules VI.1 and X.2 (a) of WFP, WFP/EB.A/2001/4-D.</p> <p>Amendments to WFP Financial Regulations, WFP/EB.A/2003/6-C/1.</p>	11–13
WFP's Mission Statement should be redrafted.	Not approved.	14
The current Strategic and Financial Plan should be adapted into a Strategic Plan, notably by the incorporation of results-based objectives.	<p>Strategic and Financial Plan (2002–2005), WFP/EB.A/2001/5-B/1.</p> <p>Strategic Plan (2004–2007), WFP/EB.3/2003/4-A/1.</p> <p>Strategic Plan (2006–2009), WFP/EB.A/2005/5-A/Rev.1.</p> <p>Results Based Management in WFP: Next Steps, WFP/EB.3/2003/INF/9.</p> <p>Progress Report on Results-Based Management, October 2001, WFP/EB.3/2001/4-A.</p>	15–17
The case for an occasional symposium on food aid should be considered by the Board when it reviews its forward programme of work each year.	Measures Taken and Planned to Implement the Governance Decisions of the Executive Board, WFP/EB.2/2001/INF/10.	18



ANNEX III: SUMMARY LIST OF RECOMMENDATIONS FROM THE ORIGINAL GOVERNANCE REPORT

Governance recommendation and reference letter	When the resulting action went to the Board; paper and reference (if existing)	Relevant paragraphs
WFP's policy statements should be codified and reproduced in a compendium.	Consolidated Framework of WFP Policies: A Governance Tool, WFP/EB.A/2002/5-A/1. Consolidated Framework of WFP Policies: An updated version (October 2004), WFP/EB.3/2004/4-F.	19-22
The relevance of the codified policy framework should be kept under regular review in the Annual Performance Report.	Consolidated Framework of WFP Policies: Establishing and Maintaining a Governance Tool, WFP/EB.A/2002/5-A/2. Updating Consolidated Framework of WFP Policies, WFP/EB.3/2003/10-A/2.	21
The Programme of Work and Budget should be adapted into a Biennial Management Plan, chiefly by specifying planned outcomes and indicators of achievement.	WFP Biennial Management Plan (2004-2005), WFP/EB.3/2003/5-A/1, WFP/EB.3/2003/5-A/1/Corr.1. Update to WFP Management Plan 2004-2005, WFP/EB.A/2005/6-E/1.	24-27
The Secretariat should be tasked to come forward with proposals for revised programming principles (including levels of delegated authority) for country programmes and for projects and operations outside country programmes.	Review of Programme Harmonization and Programming Processes with Reference to WFP's Programme Cycle, WFP/EB.3/2002/4-B. Country Programme Approval Procedure, WFP/EB.2/2003/INF/6. Increased Authority to the Executive Director for Approval of Operations and Budget Revisions, WFP/EB.3/2004/12-C, WFP/EB.3/2004/12-C/Corr.1. Progress in the Implementation of General Assembly Resolution 56/201 (including programme of work on harmonization and simplification of rules and procedures), WFP/EB.3/2002/INF/21.	28-34
An Annual Performance Report should be developed.	Annual Performance Report for 2003, WFP/EB.A/2004/4-A, WFP/EB.A/2004/4-A/Corr.1. Annual Performance Report for 2004, WFP/EB.A/2005/4. Annual Report to ECOSOC and the FAO Council, WFP/EB.1/2005/4-C/Rev.1.	35-37
The Board should adopt the indicative strategy proposed by the Secretariat for transforming the governance tools available to the Board in line with the recommendations of this report. The target completion date should be 2005.	See action especially for recommendations (c), (e), (h) and (i). Follow-up to Executive Board Decision 2000/EB.A/6 on Governance (including Legal Implications), WFP/EB.3/2000/3-A. Measures Taken and Planned to Implement the Governance Decisions of the Executive Board, WFP/EB.2/2001/INF/10.	
When it reviews its forward programme of work each October the Board should identify subjects that would benefit from being handled through an informal consultation before they are brought to the Board for decision.	EB.A/2000 No documents taken to the Board.	44-45



ANNEX III: SUMMARY LIST OF RECOMMENDATIONS FROM THE ORIGINAL GOVERNANCE REPORT

Governance recommendation and reference letter	When the resulting action went to the Board; paper and reference (if existing)	Relevant paragraphs
Each Board session should start with a short discussion of current and future strategic issues, initiated by the Executive Director.	EB.1/2001 No documents taken to the Board.	47
The format of the annotated agenda for Board meetings should be revised. Items for information should be discussed only if the chair judges this to be a proper use of the Board's time.	EB.1/2001 No documents taken to the Board.	49
Guidance notes on meetings should be developed for Board members and observers, chairpersons and the Secretariat.	EB.1/2001 and EB.3/2001 Guidelines for the Meetings of the Executive Board of the World Food Programme, WFP/EB.1/2001/4-B. Guidelines for the Meetings of the Executive Board of the World Food Programme, WFP/EB.3/2001/4-C.	56
Reports on Board meetings should comprise a consolidated statement of decisions, distributed and adopted at the end of the meeting; and a summary record, issued within a fortnight and adopted under a silence procedure.	EB.A/2000 No documents taken to the Board (actually in place since 1996).	51–52
Board documents should follow a prescribed format.	EB.1/2004 Streamlining Board Documentation, WFP/EB.1/2004/INF/7. Guidelines for Documents submitted to the Executive Board, 2005.	53
Board sessions should be reduced from four to three each year and the total number of meeting days from 14 to 11. Informal consultations should normally be included within this allotment of time.	EB.A/2004 Reducing the Number of Board Sessions, WFP/EB.A/2004/5-E.	57–58
Strategic planning of Board business should be undertaken by the Board itself. Each October the Board should review its programme of work for the forthcoming biennium and look back on its operations over the previous 12 months.	EB.3/2000 No documents taken to the Board.	59
Resource consultations should continue.	EB.A/2000 No documents taken to the Board (consultations ceased to be held after 2003).	60



ANNEX III: SUMMARY LIST OF RECOMMENDATIONS FROM THE ORIGINAL GOVERNANCE REPORT

Governance recommendation and reference letter	When the resulting action went to the Board; paper and reference (if existing)	Relevant paragraphs
When it reviews its forward programme of work each October the Board should decide whether pre-session briefings should be arranged for the following year, and if so on which subjects.	Replaced by informal consultations, see recommendation (k).	61
Issues relating to the dual parentage of WFP should be reviewed in due course.	EB.A/2000 No documents taken to the Board.	62
The main functions of the Bureau should be to maintain a flow of information to and from the electoral lists; to conduct an ex post review of each Board meeting to ensure that all issues for follow-up have been correctly identified; and to manage succession planning for the posts of President and Vice-President.	EB.A/2000 No documents taken to the Board.	64–65
Briefing sessions for new members of the Board should be developed into an induction programme.	EB.A/2000 No documents taken to the Board.	66
Additional Issues		
Corporate Reporting	Streamlining Corporate Reporting to the Executive Board and WFP Parent Bodies, WFP/EB.A/2004/5-F. Annual Report to ECOSOC and FAO Council, WFP/EB.1/2005/4-C/Rev.1.	38
Oversight	Report of the Inspector General for 2000/2001, WFP/Eb.3/2002/5-F. Best Practices in Oversight Mechanisms, WFP/EB.3/2003/5-D/1. Programme of Work of the External Auditor for 2002-2003 Biennium, WFP/EB.1/2003/5-B/1. Report of the External Auditor on the Review of Corporate Governance at the World Food Programme. in: Report of the External Auditor on Management Matters, WFP/EB.3/2004/5-A/1. Annual Report of the WFP Audit Committee, WFP/EB.2/2005/5-H/1. International Accounting Standards, WFP/EB.2/2005/5-C/1.	39–42
Evaluation	Report on the Management of Evaluation, WFP/EB.A/2005/5-E.	43
Appointment of Executive Director	No documents taken to the Board.	63



ANNEX IV

INFORMAL CONSULTATIONS 2000–2005		
Year	Date	Topic
2000	12 January	Governance
	9 February	Governance
	16 March	Humanitarian issues
	27 March	Resource Mobilization System (RMS) and Food Aid Convention (FAC)
	31 March	Governance
	5 April	Governance
	10 April	Governance
	16 May	RMS
2001	17 January	Establishment of a Humanitarian Liaison Working Group
	4 April	Results-Based Thinking
2002	2 October	Donors on Standardized Programme Report (SPR) review
	16 December	Lists D and E on Strategic Issues
2003	8 January	Lists A and C on Strategic issues
	14 January	Resources and Long-Term Financing Strategic issues
	5 February	Strategic issues
	5 March	Resource and Long-Term Financing
	28 March	Financial Policy Framework Issues Strategic Plan (2004–2007)
	16 May	List C on Strategic Plan (2004–2007)
	28 May	Management Plan Outline 2004–2005 and Zero-Based Budget Strategic Plan (2004–2007)
	22 July	Strategic Plan (2004–2007)
	23 September	Strategic Plan (2004–2007) Management Plan (2004–2005) Business Process Review (BPR)
	14 October	Management Plan (2004–2005)
	20 November	Progress of BPR

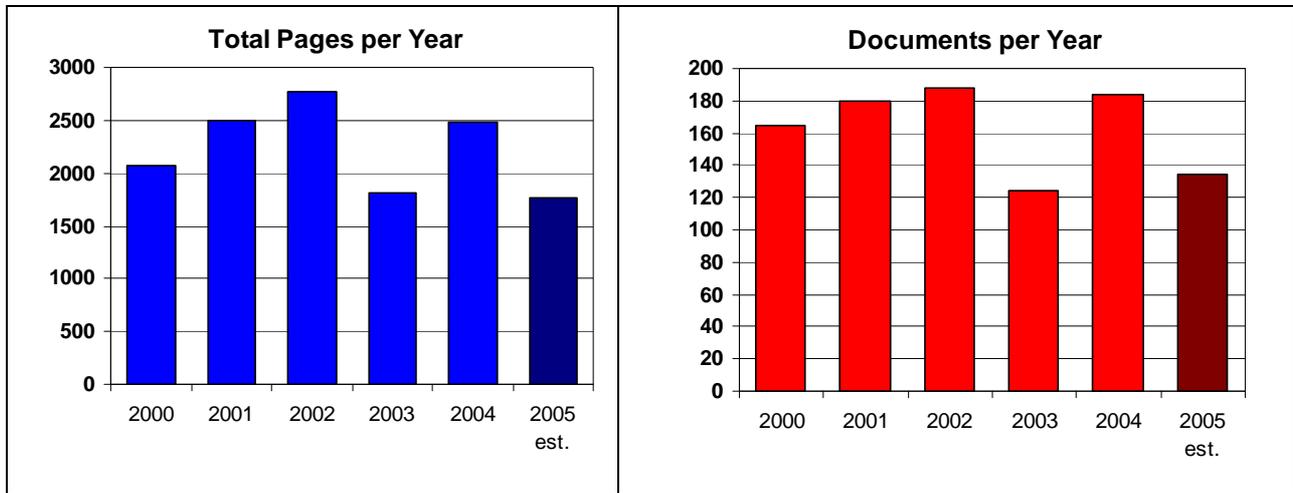


INFORMAL CONSULTATIONS 2000–2005		
Year	Date	Topic
2004	14 January	Progress of Business Process Review
	08 April	Fundraising (FRD)
	5 May	Emerging Donors Private-Sector Donors
	13 July	Local and Regional Capacity-Building Follow-Up to Expanding Donor Base
	24 September	Building National and Regional Capacities
	07 December	Donors Constraints on Working Capital Financing (FRD)
	13 December	Financial Framework for Strategic Priority 5 of the Strategic Plan (2004–2007)
2005	17 January	Business Process Review Presentations for the Joint Meeting of the Executive Boards UNDP/UNFPA/ UNICEF/WFP WFP's Proposed Multiple LTSH Rates
	18 January	Financial Framework for SP 5 Implementation
	04 April	Acute Hunger Insurance
	26 April	List B on Strategic Plan (2006–2009)
	27 April	List A on Strategic Plan (2006–2009)
	28 April	Lists D and E on Strategic Plan (2006–2009) List C on Strategic Plan (2006–2009)
	29 April	Child Hunger
	10 May	Strategic Plan (2006–2009)
	19 May	Evaluation Risk Management Policy Funding for Effectiveness
	1 September	Management Plan (2006–2007)
	22 September	Right to Food Guidelines Tsunami Operations
	23 September	Management Plan (2006–2009) International Accounting Standards Ethiopia Drought Insurance Project
	27 October	Management Plan (2006–2009) Common Country Programme Approach



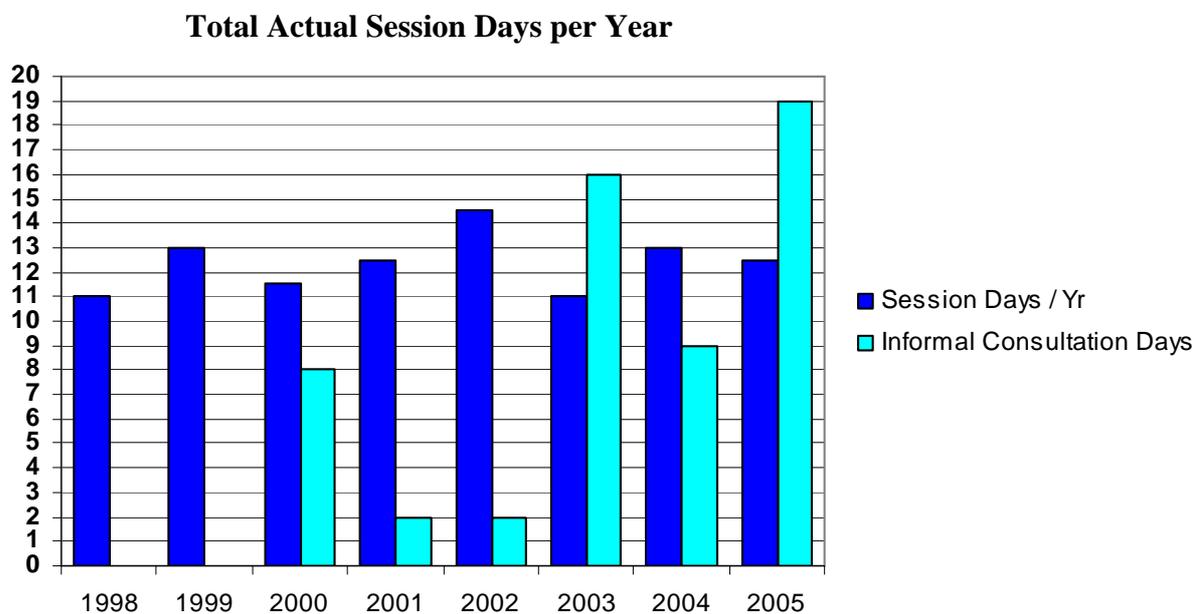
ANNEX V

Average Number of Pages per Board Session



ANNEX VI

**Total Number of Session Days of the Board 1998–2005,
including Informal Consultations**



Note: If Board sessions were concluded by noon, only a half day was counted. There are no records of informal consultations in 1998 and 1999. Only actual hours of informal Consultations are counted (8 hr = 1 day).



ACRONYMS USED IN THE DOCUMENT

APR	Annual Performance Report
CSO	country strategy outline
ECOSOC	Economic and Social Council of the United Nations
FAO	Food and Agriculture Organization of the United Nations
JIU	Joint Inspection Unit
MDG	Millennium Development Goal
NFR	Note for the Record
NGO	non-governmental organization
PDB	Executive Board Secretariat
PRRO	protracted relief and recovery operation
RBM	results-based management
TCPR	Triennial Comprehensive Policy Review
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund

