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Resource, Financial and Budgetary Matters

For information

Executive Board documents are available on WFP's Website (<http://executiveboard.wfp.org>).

Report of the Executive Director on the Utilization of Contributions and Waivers of Costs (General Rules XII.4 and XIII.4 (h))

Introduction

1. This report provides information to the Board in accordance with General Rules XII.4 and XIII.4 (h) on: i) the use of unrestricted cash resources to purchase commodities (General Rule XII.4); ii) contributions of only commodities or services from governments of developing countries, governments of countries with economies in transition and other non-traditional donors (General Rule XIII.4 (f)); and iii) waivers of indirect support costs (ISC) for in-kind contributions to cover direct support costs (General Rule XIII.4 (g)).

Use of Unrestricted Cash Resources to Purchase Commodities in Developing Countries (General Rule XII.4)

2. Under General Rule XII.4, the Executive Director is responsible for making the optimum use of available resources in commodities, cash and services. The Executive Director may use unrestricted cash resources to purchase commodities – as much as possible from developing countries – and shall report such purchases to the Board. This document reports on the use of unrestricted cash resources for the development programme category.
3. In 2015, USD 3.3 million of unrestricted cash was available, down from USD 14.1 million in 2014. Of this total, USD 2.8 million, or 87 percent, was utilized to purchase food from developing countries, down from USD 11.4 million and 81 percent in 2014. The remaining USD 0.4 million, or 13 percent, was used for purchases from developed countries, down from USD 2.7 million or 19 percent in 2014. Details are shown in Table 1.
4. Further information on purchases of commodities from developing countries from all cash resources and under all programme categories is included in the Annual Performance Report for 2015 (WFP/EB.A/2016/4).

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TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2015 – DEVELOPMENT PROGRAMME CATEGORY (USD)		
Purchased from	Developing countries	Developed countries
Bangladesh	181 008	-
Canada	-	38 700
Ethiopia	108 120	-
Ghana	17 438	-
India	342 764	-
Indonesia	126 265	-
Italy	-	48 840
Kazakhstan	147 384	-
Liberia	12 194	-
Madagascar	156 856	-
Malawi	209 729	-
Mozambique	38 972	-
Nepal	154 572	-
Nicaragua	156 179	-
Pakistan	665 943	-
Russian Federation	-	269 460
Rwanda	110 000	-
United Republic of Tanzania	132 380	-
Turkey	46 464	-
Ukraine	27 654	-
United States of America	-	83 522
Zambia	199 638	-
Total 2015	2 833 559	440 522
GRAND TOTAL 2015	3 274 080	
Percentage 2015	87	13
Total 2014	11 367 965	2 693 218
GRAND TOTAL 2014	14 061 183	
Percentage 2014	81	19

Contributions or Services from Governments of Developing Countries, Governments of Countries with Economies in Transition, and Other Non-Traditional Donors (General Rule XIII.4 (f))

5. Many governments of developing countries or countries with economies in transition, and other non-traditional donors support WFP operations through in-kind contributions of commodities or services under General Rule XIII.4 (f). In 2015, the value of such contributions was USD 116.5 million under twinning arrangements, up from USD 86.6 million in 2014. In-kind commodities and services were matched with USD 66 million of cash contributions from other donors, up from USD 49.3 million in 2014, and USD 2.4 million from the Emerging Donor Matching Fund (EDMF), up from USD 0.5 million in 2014. ISC waived in 2015 on such contributions was USD 0.3 million. There was no ISC waived on these contributions in 2014.

Donor	Commodity/ service value	Other costs and ISC covered by		ISC Waived
		Other donor	EDMF*	
Bangladesh	4 127 568	2 080 682	-	-
Brazil	4 757 256	3 084 613	-	-
Cameroon	912 300	36 005	684 088	-
Chad	223 118	143 130	-	-
Guinea-Bissau	39 500	-	43 943	-
Iran, Islamic Republic of	3 959 451	1 440 633	-	277 162
Iraq	592 900	378 285	-	-
Kenya	613 402	627 289	-	-
Malawi	17 504 787	17 675 379	1 000 000	-
Pakistan	80 604 130	37 555 645	-	-
South Sudan	560 000	1 319 405	-	-
Zambia	1 389 870	598 978	661 161	-
Zimbabwe	1 246 409	1 104 138	-	-
TOTAL 2015	116 530 692	66 044 182	2 389 192	277 162
TOTAL 2014	86 584 498	49 253 494	459 116	0

*The Emergency Donors Matching Fund provided finance for the associated costs of these contributions.

Waivers of Indirect Support Costs for In-Kind Services and Non-Food Items (General Rule XIII.4 (g))

6. WFP's operations were augmented through in-kind services and non-food items. In 2015, total contributions received for in-kind services and non-food items were USD 17.4 million, down from USD 22.3 million in 2014. The total value of waivers of ISC granted in 2015 was USD 1.2 million, down from USD 1.6 million in 2014. Table 3 provides the details by donor agency, recipient country, value and ISC waived.

TABLE 3: WAIVERS OF ISC IN RESPECT OF IN-KIND CONTRIBUTIONS TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) in 2015 (USD)			
Donor	Recipient country/region	Value	ISC waived
Canada's Civilian Reserve	Guinea	548 708	38 410
	Liberia	276 040	19 323
	Sierra Leone	75 015	5 251
Crisis Management Centre	Nepal	34 650	2 426
	Sierra Leone	48 390	3 387
Danish Refugee Council	Bangkok Regional Bureau	30 749	2 152
	Ethiopia	33 771	2 364
	Haiti	167 889	11 752
	Liberia	72 855	5 100
	Malawi	143 571	10 050
	Mozambique	243 108	17 018
	Sierra Leone	24 172	1 692
	Ukraine	428 127	29 969
Ericsson Response	Bangkok Regional Bureau	168 018	11 761
	Nepal	253 947	17 776
	Sierra Leone	347 499	24 325
German Federal Agency for Technical Relief	Headquarters Rome	86 529	6 057
	Nepal	24 971	1 748
	Dakar Regional Bureau	403 871	28 271
Icelandic Crisis Response Unit	Nairobi Regional Bureau	124 520	8 716
Irish Aid	Headquarters Rome	256 152	17 931
	Malawi	42 795	2 996
	Nepal	182 933	12 805
NetHope	Nepal	80 779	5 655
Norwegian Refugee Council	Armenia	8 946	626
	Bangkok Regional Bureau	272 160	19 051
	Cairo Regional Bureau	121 616	8 513
	Cameroon	128 009	8 961
	Chad	30 973	2 168
	Democratic Republic of the Congo	210 131	14 709
	Ethiopia	278 195	19 474
	Guinea	402 189	28 153
	Headquarters Rome	186 208	13 035

TABLE 3: WAIVERS OF ISC IN RESPECT OF IN-KIND CONTRIBUTIONS TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) in 2015 (USD)

	Iraq	409 372	28 656
	Lao People's Democratic Republic	128 882	9 022
	Liberia	219 375	15 356
	Malawi	88 367	6 186
	Nepal	397 132	27 799
	Sierra Leone	73 348	5 134
	South Sudan	125 490	8 784
	Syrian Arab Republic	73 611	5 153
	Ukraine	75 460	5 282
	Zimbabwe	129 294	9 051
RedR Australia	Bangkok Regional Bureau	75 290	5 270
	Bangladesh	109 023	7 632
	Headquarters Rome	190 771	13 354
	Indonesia	63 915	4 474
	Lao People's Democratic Republic	227 056	15 894
	Liberia	145 710	10 200
	Nepal	109 697	7 679
	Timor-Leste	49 295	3 451
Renault Trucks	Headquarters Rome	14 088	1 409
Royal DSM	Headquarters Rome	120 000	12 000
Stop Hunger Now	Headquarters Rome	96 059	9 606
Swedish Civil Contingencies Agency	Cameroon	117 488	8 224
	Central African Republic	62 657	4 386
	Chad	55 713	3 900
	Iraq	407 290	28 510
	Lebanon	62 410	4 369
	Liberia	210 264	14 718
	Malawi	683 101	47 817
	Mali	128 850	9 020
	Mozambique	40 050	2 804
	Nairobi Regional Bureau	69 999	4 900
	Nepal	2 529 552	177 069
	Sierra Leone	250 996	17 570
	Ukraine	198 136	13 870

TABLE 3: WAIVERS OF ISC IN RESPECT OF IN-KIND CONTRIBUTIONS TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) in 2015 (USD)			
Swiss Agency for Development and Cooperation	Afghanistan	158 579	11 100
	Bangkok Regional Bureau	67 035	4 692
	Democratic Republic of the Congo	135 092	9 456
	Headquarters Rome	317 445	22 221
	Madagascar	304 350	21 305
	Myanmar	153 082	10 716
	Nairobi Regional Bureau	493 443	34 541
	Nepal	183 705	12 859
	Niger	135 331	9 473
	Panama Regional Bureau	220 154	15 411
	Sierra Leone	48 343	3 384
	South Sudan	151 654	10 616
	Sudan	403 989	28 279
	Syrian Arab Republic	18 701	1 309
Ukraine	76 318	5 342	
UK Department for International Development	Bangkok Regional Bureau	97 445	6 821
	Bangladesh	237 666	16 637
	Burundi	65 248	4 567
	Ethiopia	109 434	7 660
	Liberia	67 300	4 711
	Nepal	34 053	2 384
	Sierra Leone	220 491	15 434
	South Sudan	133 017	9 311
USAID	Dakar Regional Bureau	66 500	4 655
TOTAL 2015		17 373 585	1 223 056
TOTAL 2014		22 268 202	1 558 774