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RESOURCE, FINANCIAL AND BUDGETARY MATTERS

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REPORT OF THE EXECUTIVE DIRECTOR ON THE UTILIZATION OF CONTRIBUTIONS AND WAIVERS OF COSTS (GENERAL RULES XII.4 AND XIII.4 (h))

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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for information.

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 point indicated below, preferably well in advance of the Board's meeting.

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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 2014, USD 14.1 million of unrestricted cash was available, down from USD 27.1 million in 2013. Of this total, USD 11.4 million, or 81 percent, was utilized to purchase food from developing countries, down from USD 18.7 million and 69 percent in 2013. The remaining USD 2.7 million, or 19 percent, was used for purchases from developed countries, down from USD 8.4 million or 31 percent in 2013. 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 2014 (WFP/EB.A/2015/4).

TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2014 – DEVELOPMENT PROGRAMME CATEGORY (USD)		
Purchased from	Developing countries	Developed countries
Australia		23 470
Bangladesh	2 387 601	
Belgium		330 898
Bolivia (Plurinational State of)	178 079	
Bulgaria		169 102
Burkina Faso	84 405	
Burundi	165 939	
Cambodia	480 516	
Canada		125 532
Ethiopia	27 853	
France		447 343
Ghana	34 369	
Guatemala	271 636	
Guinea	223 742	
Haiti	17 457	
India	970 252	
Indonesia	1 186 278	
Italy		253 988
Japan		653 782
Kenya	18 700	
Madagascar	85 218	
Malawi	398 534	
Malaysia	16 285	
Mozambique	239 349	
Nepal	413 486	
Pakistan	255 103	
Russian Federation		440 966
Rwanda	132 956	
Sao Tome and Principe	7 651	
Senegal	169 729	
South Africa	1 225 100	
Thailand	228 870	
Turkey	498 590	
Uganda	910 790	
Ukraine	33 883	
United Republic of Tanzania	501 078	
United States of America		248 136

TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2014 – DEVELOPMENT PROGRAMME CATEGORY (USD)		
Purchased from	Developing countries	Developed countries
Uruguay	11 798	
Viet Nam	151 842	
Zambia	40 877	
Total 2014	11 367 965	2 693 218
GRAND TOTAL 2014	14 061 183	
Percentage 2014	81	19
Total 2013	18 746 668	8 373 303
GRAND TOTAL 2013	27 119 971	
Percentage 2013	69	31

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 2014, the value of such contributions was USD 86.6 million under twinning arrangements, up from USD 65.2 million in 2013. In-kind commodities and services were matched with USD 49.3 million of cash contributions from other donors, up from USD 48.0 million in 2013, and USD 0.5 million from the Emerging Donor Matching Fund (EDMF), down from USD 1.7 million in 2013. There was no ISC waived on these contributions in 2014; ISC waived in 2013 was USD 0.02 million.

Donor	Commodity/service value	Other costs and ISC covered by		ISC waived
		Other donor(s)	EDMF*	
Bangladesh	3 857 625	1 682 107		
Brazil	399 795	472 841		
Democratic Republic of the Congo	604 284	129 579	459 116	
Cuba	589 629	861 328		
Malawi	6 388 127	3 369 172		
Pakistan	70 222 873	40 736 749		
Sri Lanka	2 407 539	940 655		
Sudan	219 913	202 314		
Zambia	1 894 714	858 748		
TOTAL 2014	86 584 498	49 253 494	459 116	
TOTAL 2013	65 170 487	47 950 349	1 716 763	22 016

* The Emerging Donor Matching Fund (EDMF) 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 2014, total contributions received for in-kind services and non-food items were USD 22.3 million, up from USD 16.4 million in 2013. The total value of waivers of ISC granted in 2014 was USD 1.6 million, up from USD 1.1 million in 2013. 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 2014 (USD)

Donor	Recipient country/region	Value	ISC waived
Canada's Civilian Reserve (CANADEM)	Ukraine	101 468	7 103
Crisis Management Centre Finland	Jordan	147 839	10 349
Danish Emergency Management Agency	Sierra Leone	17 584	1 231
Danish Refugee Council	Bangladesh	126 959	8 887
	Central African Republic	70 191	4 913
	Liberia	66 690	4 668
	Mozambique	56 452	3 952
	Philippines	185 752	13 003
	Sierra Leone	176 677	12 367
	Switzerland	30 340	2 124
Department for International Development [United Kingdom]	Dakar Regional Bureau	253 918	17 774
	Democratic Republic of the Congo	347 337	24 314
	Guinea	78 972	5 528
	Headquarters Rome	65 494	4 585
	Kyrgyzstan	336 966	23 588
	Liberia	297 222	20 806
	Mali	41 327	2 893
	South Sudan	437 781	30 645
Ericsson Response	Ghana	78 064	5 464
	Iraq	30 170	2 112
	Philippines	259 999	18 200
	Sierra Leone	29 307	2 051
German Federal Agency for Technical Relief	Dakar Regional Bureau	2 706 867	189 481
	Headquarters Rome	134 260	9 398
	Sierra Leone	28 469	1 993
Icelandic Crisis Response Unit	Malawi	144 667	10 127
iMMAP	Jordan	250 506	17 535
	Syrian Arab Republic	298 964	20 927
Irish Aid	Dakar Regional Bureau	26 429	1 850
	Democratic Republic of the Congo	191 434	13 400
	Ethiopia	357 325	25 013
	Jordan	49 280	3 450
	Philippines	36 053	2 524
	Turkey	152 301	10 661
Netherlands (Ministry of Foreign Affairs)	Dakar Regional Bureau	664 543	46 518

TABLE 3: WAIVERS OF ISC IN RESPECT OF IN-KIND CONTRIBUTIONS TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) in 2014 (USD)

Donor	Recipient country/region	Value	ISC waived
Norwegian Armed Forces	Afghanistan	4 094 892	286 642
Norwegian Refugee Council	Bangkok Regional Bureau	244 116	17 088
	Dakar Regional Bureau	54 680	3 828
	Cameroon	140 516	9 836
	Democratic Republic of the Congo	159 539	11 168
	Ethiopia	67 501	4 725
	Guinea	880 231	61 616
	Lebanon	93 533	6 547
	Liberia	592 798	41 496
	Mauritania	45 380	3 177
	Philippines	233 652	16 356
	Sierra Leone	151 557	10 609
	Ukraine	80 292	5 620
RedR Australia	Bangkok Regional Bureau	157 608	11 033
	Democratic People's Republic of Korea	70 646	4 945
	Iraq	157 217	11 005
	Jordan	149 482	10 464
	Lao People's Democratic Republic	103 684	7 258
	Liberia	73 276	5 129
	Pakistan	22 630	1 584
	Philippines	41 600	2 912
	Timor-Leste	67 734	4 741
Swedish Civil Contingencies Agency (MSB)	Cairo Regional Bureau	124 268	8 699
	Dakar Regional Bureau	83 333	5 833
	Headquarters Rome	17 657	1 236
	Burkina Faso	12 095	847
	Cameroon	125 699	8 799
	Central African Republic	750 245	52 517
	Ethiopia	180 626	12 644
	Haiti	22 360	1 565
	Iraq	217 654	15 236
	Liberia	71 630	5 014

TABLE 3: WAIVERS OF ISC IN RESPECT OF IN-KIND CONTRIBUTIONS TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) in 2014 (USD)

Donor	Recipient country/region	Value	ISC waived
	Mali	240 668	16 847
	Philippines	145 519	10 186
	Senegal	171 348	11 994
	Sierra Leone	74 522	5 217
	Sudan	340 824	23 858
Swiss Agency for Development and Cooperation	Johannesburg Regional Bureau	105 317	7 372
	Nairobi Regional Bureau	472 673	33 087
	Panama Regional Bureau	518 535	36 297
	Headquarters Rome	248 426	17 390
	Afghanistan	139 249	9 747
	Chad	148 572	10 400
	Democratic Republic of the Congo	70 695	4 949
	Dubai	576 592	40 361
	Ethiopia	213 610	14 953
	Madagascar	522 470	36 573
	Sierra Leone	76 197	5 334
	South Sudan	229 723	16 081
	Sudan	284 779	19 935
	Sudan	122 750	8 592
TOTAL 2014		22 268 202	1 558 774
TOTAL 2013		16 393 223	1 147 526