



World Food Programme
Programme Alimentaire Mondial
Programa Mundial de Alimentos
برنامج الأغذية العالمي

Executive Board
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	For information

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

Revised WFP Financial Rules

1. In line with the provisions of Financial Regulation 2.2, the Executive Director shall establish Financial Rules, consistent with the WFP General Regulations and WFP Financial Regulations, to ensure effective financial administration and the exercise of economy. The Executive Director shall circulate the Financial Rules for information to the Executive Board, the United Nations Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Finance Committee of the Food and Agriculture Organization of the United Nations (Finance Committee).
2. The Executive Director has effected amendments to the Financial Rules and issued revised Financial Rules with effect from 1 September 2021.
3. The primary reasons for amending the Financial Rules are as follows:
 - to reflect changes to WFP processes brought about by the Integrated Road Map (IRM)¹ implementation, including amendments to the General Rules and Financial Regulations;
 - to further strengthen financial governance;
 - to consolidate and expand the Financial Rules on waivers to cover all types of procurements; and
 - to incorporate previous amendments made to Financial Rule 112.23 (Rule 112.35 under the revised Financial Rules) that were introduced under Executive Director's Circular OED2014/019 dated 2 December 2014.

¹ The IRM was approved by the Executive Board in November 2016 and encompasses the [Strategic Plan \(2017-2021\)](#), the [Policy on Country Strategic Plans](#), the Country Portfolio Budget as an outcome of the [Financial Framework Review](#), and the [Corporate Results Framework](#).

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4. Changes to the Financial Rules were made through consultation among the concerned offices in WFP.
 5. Editorial changes were also made to enhance consistency and clarity and improve the language or format. Numbering changes were also made to reflect the amendments.
 6. The revised Financial Rules are attached as Annex A to this document.

ANNEX A

FINANCIAL REGULATIONS	FINANCIAL RULES
I: Definitions	I: Definitions
<p>Financial Regulation 1.1: For the purposes of these Regulations, and the Rules promulgated thereto, the following definitions shall apply:</p> <p>ACABQ shall mean the United Nations Advisory Committee on Administrative and Budgetary Questions.</p> <p>Account shall mean a formal record of an asset, liability, revenue or expense for which the effects of transactions are indicated in terms of money or other unit of measurement.</p> <p>Allotment shall mean a financial authorization issued by the Executive Director to an official to incur obligations for specific purposes within approved budgets, within specified limits and during a specified time.</p> <p>Appropriation shall mean the amount approved by the Board for specified purposes in the Programme Support and Administrative budget for a financial period, against which obligations up to the amount approved may be incurred for those purposes.</p> <p>Appropriation line shall mean the largest subdivision of the programme support and administrative budget within which the Executive Director is authorized to make transfers without prior approval of the Board.</p> <p>Assistance agreement shall mean a document, however designated, executed in accordance with the provisions of Article XI of the General Regulations.</p> <p>Bilateral contribution shall mean a contribution directed by the donor to be used to support an activity not initiated by WFP.</p> <p>Board shall mean the Executive Board of WFP and its predecessors.</p> <p>Broad-based appeal shall mean an appeal made by WFP or by WFP jointly with other programmes, funds or agencies for a regional project or for a number of separate programmes, projects, or activities.</p> <p>Contribution shall mean a donation of appropriate commodities, non-food items, acceptable services or cash made in accordance with procedures set out in these Regulations. A contribution may be multilateral, directed multilateral or bilateral.</p> <p>Country portfolio budget shall mean the budget of a programme.</p> <p>Directed multilateral contribution shall mean a contribution, other than a response to an appeal made by WFP for a specific emergency operation, which a donor requests WFP to direct to a specific activity or activities initiated by WFP or to a specific programme or programmes.</p>	<p>Rule 101.1: The definitions set out in Financial Regulation 1.1 shall apply for the purposes of these Rules.</p> <p>Rule 101.2: Rules mean these financial rules.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Direct support cost shall mean a cost which corresponds to country-level expenditures that are directly linked to the execution of the programme as a whole but cannot be attributed to a specific activity within it.</p> <p>Executive Director shall mean the Executive Director of the World Food Programme, or the official to whom the Executive Director has delegated authority and responsibility for the matter in question.</p> <p>Ex gratia payment shall mean a payment made when there is no legal liability, but the moral obligation is such as to make payment desirable.</p> <p>FAO shall mean the Food and Agriculture Organization of the United Nations.</p> <p>Finance Committee shall mean the Finance Committee of FAO.</p> <p>Financial period shall mean one calendar year starting on 1 January.</p> <p>Financial Rules shall mean the rules established under Financial Regulation 2.2.</p> <p>Financial Statements shall mean formal presentation of financial information showing the income and expenditure for a given period and assets and liabilities at the end of that period, including notes, which form an integral part thereof.</p> <p>Full cost recovery shall mean the recovery of all of the costs of the activities financed by a contribution or service provision payment.</p> <p>Fund shall mean an accounting entity with a self-balancing set of accounts recording cash and other financial and non-financial resources, together with related liabilities and residual equities or balances, and changes therein. Funds are segregated for the purpose of conducting specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations</p> <p>General Fund shall mean the accounting entity established for recording, under separate accounts, indirect support cost recoveries, miscellaneous income, operational reserve and contributions received which are not designated to a specific programme category fund, trust fund, or special account.</p> <p>General Regulations shall mean the General Regulations of the World Food Programme, as approved by the General Assembly of the United Nations and the Conference of FAO.</p> <p>General Rules shall mean the General Rules of the World Food Programme, as approved by its Executive Board.</p> <p>IEFR shall mean the International Emergency Food Reserve.</p>	

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Implementation cost shall mean a cost which corresponds to expenditures that are directly linked to specific activities within the programme, other than transfer costs.</p> <p>Indirect support cost shall mean a cost which cannot be directly linked to the execution of a programme or activity.</p> <p>IRA shall mean the Immediate Response Account of the IEFRR.</p> <p>Management Plan shall mean the three-year comprehensive plan of work approved each year on a rolling basis by the Board, inclusive of planned outcomes and indicators of achievement, together with the annual WFP Budget.</p> <p>Multilateral contribution shall mean a contribution, for which WFP determines the programme or WFP activities in which the contribution will be used and how it will be used, or a contribution made in response to a broad-based appeal for which WFP determines, within the scope of the broad-based appeal, the programme or WFP activities in which the contribution will be used and how it will be used, and for which the donor will accept reports submitted to the Board as sufficient to meet the requirements of the donor.</p> <p>Obligation shall mean a written commitment of monies resulting in a liability against an allotment.</p> <p>Operational costs shall mean transfer costs and implementation costs of a programme.</p> <p>Operational reserve shall mean monies maintained as an account within the General Fund to be used to ensure continuity of operations in the event of a temporary shortfall of resources.</p> <p>Programme shall mean a programme approved in accordance with Article VI.2(c) of the General Regulations.</p> <p>Programme category shall mean a classification of WFP activities as established in accordance with the General Rules.</p> <p>Programme category fund shall mean an accounting entity established by the Board for the purposes of accounting for contributions, income and expenditures for each programme category.</p> <p>Programme support and administrative budget shall mean the portion of the WFP Budget that pertains to providing indirect support to WFP's activities.</p> <p>Project shall mean a separately identified undertaking within a programme category.</p> <p>Service provision shall mean the provision of services consistent with the purposes, policies and activities of WFP to a party in exchange for payment.</p>	

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Special account shall mean an account established by the Executive Director for a special contribution, or for monies earmarked for specific activities, the balance of which may be brought forward to the succeeding financial period.</p> <p>Support costs shall mean the indirect support costs and direct support costs of a programme.</p> <p>Transfer cost shall mean a cost which corresponds to the monetary value of the item, cash, or service provided, as well as the related delivery costs.</p> <p>Trust fund shall mean an identifiable subdivision of the WFP Fund, established by the Executive Director in order to account for a special contribution, the purpose, scope and reporting procedures of which have been agreed with the donor.</p> <p>WFP Budget shall mean the annual budget component of the Management Plan approved each year by the Board indicating estimated resources and expenditures for programmes and activities and shall include a Programme Support and Administrative budget.</p> <p>WFP Fund shall mean the World Food Programme fund established in accordance with General Regulation XIV.1, comprised of the General Fund, the programme category funds, trust funds and special accounts.</p>	
II: Applicability	II: Applicability
<p>Financial Regulation 2.1: These Financial Regulations, adopted pursuant to General Regulation XIV.5, shall govern the financial management of the WFP Fund. The Board may, in exceptional circumstances, grant exemptions from these Financial Regulations.</p>	<p>No rule issued.</p>
<p>Financial Regulation 2.2: The Executive Director shall establish Financial Rules, consistent with the General Regulations and these Financial Regulations, to ensure effective financial administration and the exercise of economy. The Executive Director shall circulate the Financial Rules for information to the Board, the ACABQ and the Finance Committee.</p>	<p>Rule 102.1: These Rules are established by the Executive Director pursuant to the Financial Regulations and under the authority given in Financial Regulation 2.2 for the effective financial administration of and the exercise of economy in WFP.</p> <p>Rule 102.2: The Executive Director may make documented exceptions to these Rules. A record of those exceptions shall be made available to the External Auditor as stipulated in Rule 113.8 (c). The Office of Internal Audit shall likewise be notified of such exceptions.</p> <p>Rule 102.3: The Executive Director shall issue such administrative instruments or instructions and establish such procedures as he or she may deem necessary for the proper and detailed administration of these Rules.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
III: Accountability	III: Accountability
<p>Financial Regulation 3.1: The Executive Director shall be fully responsible and accountable to the Board for the financial management of the activities of WFP.</p>	<p>Rule 103.1: All officials are accountable to the Executive Director for the regularity of the actions taken by them in the course of their official duties. Any official who takes any action contrary to the Financial Regulations or these Rules, or to instructions issued pursuant to the Financial Regulations or these Rules, may be held personally responsible and financially liable for the consequences of such action.</p>
IV: Resources	IV: Resources
<p>Financial Regulation 4.1: The resources of WFP shall consist of:</p> <ul style="list-style-type: none"> a) contributions made pursuant to Article XIII of the General Regulations; b) miscellaneous income, including interest on investments; c) contributions received in trust as set forth in Financial Regulation V; and d) payments received for service provision in accordance with Financial Regulation 4.8. 	<p>No rule issued.</p>
<p>Financial Regulation 4.2: Contributions to support the purposes of WFP shall be recorded under the following funds and accounts:</p> <ul style="list-style-type: none"> a) programme category funds; b) the General Fund; c) trust funds; or d) special accounts. 	<p>Rule 104.1: Contributions in cash in currencies other than United States dollars shall be recorded in the equivalent of United States dollars converted at the prevailing United Nations operational rate of exchange at the date of the confirmed contribution. Any amount resulting from the possible difference between the rate used to record the confirmed contribution and the rate of exchange used at the date the contribution is received shall be recorded against the contribution to align the confirmed contribution to the amount effectively received and converted.</p>
<p>Financial Regulation 4.3: The Board shall establish a target level for the IRA for each financial period. The target level should be maintained by annual replenishment contributions from donors and, when possible, by repayment of advances made for eligible operations or activities.</p>	<p>No rule issued.</p>
<p>Financial Regulation 4.4: Each donor shall be responsible for all costs of its commodity and non-food contributions up to and including delivery free on board at the export port or, where appropriate, free on rail at a recognized exit point of the country concerned.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Financial Regulation 4.5: Except as otherwise specified in paragraph 4 of General Rule XIII, each donor contributing commodities or non-food items shall be responsible for related transportation costs as well as all associated operational and support costs. The donor shall also be responsible for the costs of unloading and internal transport and any necessary technical and administrative supervision, and all associated operational and support costs, where the responsibility of the government of the recipient country for these costs is waived by the Executive Director in accordance with General Regulation XII.3.</p>	<p>No rule issued.</p>
<p>Financial Regulation 4.6: The Executive Director, under guidelines established by the Board and in consultation with the donor and the recipient country, may approve the sale of commodities for cash if in the Executive Director's opinion such cash will contribute more effectively to the objectives of the programmes, projects or activities in question. The responsibility of managing the generated financial resources will rest with the holder of the title of commodities at the time of sale. The Executive Director shall retain in all circumstances responsibility for monitoring the management of resources so generated through audit requirements or other measures. When the Executive Director determines that it is in the best interest of the programme, project or activity for WFP to manage the generated financial resources belonging to the recipient government, WFP will enter into an arrangement with the government with regard to the management of such funds. The delineation of the respective responsibilities of WFP, the donor, and the recipient government in the management of such funds shall be in accordance with the guidelines established by the Board.</p>	<p>No rule issued.</p>
<p>Financial Regulation 4.7: Governments of recipient countries are expected to contribute a substantial portion of the costs of WFP country offices, in kind and in cash. The extent of this contribution shall be set out in an agreement between WFP and the government concerned. On the recommendation of the Executive Director, the Board may exempt specific countries from this Regulation.</p>	<p>No rule issued.</p>
<p>Financial Regulation 4.8: The Executive Director may approve service provision activities. These activities shall be provided on a full cost recovery basis, as determined by the Executive Director.</p>	<p>No rule issued.</p>
<p>V: Trust Funds and Special Accounts</p>	<p>V: Trust Funds and Special Accounts</p>
<p>Financial Regulation 5.1: Trust funds and special accounts to fund the expenses of activities directly overseen at headquarters or regional bureaux may be established by the Executive Director, provided that they are consistent with the purposes and policies of WFP. The Executive Director shall report all such trust funds or special accounts to the Board.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
Financial Regulation 5.2: The purpose and limits of each trust fund and special account shall be clearly defined and their funding shall be provided on a full cost recovery basis, as determined by the Executive Director.	No rule issued.
VI: Approvals of Programmes	VI: Approvals of Programmes
Financial Regulation 6.1: To provide for continuity in the programming and implementation of WFP assistance to programmes and projects, approvals for the purposes of the proposed utilization of resources and of the entering into commitments in respect of activities shall remain valid for the duration of each programme.	No rule issued.
VII: Strategic Plan	VII: Strategic Plan
Financial Regulation 7.1: The Executive Director shall forward the Strategic Plan to the ACABQ and the Finance Committee for their review and shall thereafter submit to the Board their comments and recommendations.	No rule issued.
VIII: Programmes	VIII: Programmes
Financial Regulation 8.1: Approval of a programme shall normally constitute authority for the Executive Director to issue allotments, incur obligations and expend resources for the programme in accordance with the country portfolio budget, subject to signature of an assistance agreement. However, the Executive Director may incur obligations and expend resources during programme preparation, if necessary, to fill the food pipeline for the programme for the first three months, not exceeding one quarter of total funding requirements.	<p>Rule 108.1: Every programme shall include a country portfolio budget covering the entire duration of the programme, which will set out:</p> <ul style="list-style-type: none"> a) the expected contributions to the programme, in cash or in kind, by the Government, WFP and, as appropriate, other donors; and b) a phased plan of expenditure, sub-divided where applicable by calendar years.
	Rule 108.2: In respect of approved country portfolio budgets, the Executive Director shall issue allotments which will specify the officials who will be responsible, under the authority of the Executive Director, for entering into obligations and authorizing expenditures.
Financial Regulation 8.2: Except as may be specifically agreed with donors, the financial administration of activities financed by special accounts or trust funds shall be governed by these Regulations.	No rule issued.
IX: The Management Plan	IX: The Management Plan
Financial Regulation 9.1: The Executive Director shall propose a Management Plan, including a WFP budget for the subsequent financial period, and submit it to the ACABQ and the Finance Committee in accordance with the General Regulations of WFP.	No rule issued.
Financial Regulation 9.2: The Executive Director shall submit the proposed Management Plan, as well as the reports thereon of the ACABQ and Finance Committee, to the Board at its last regular session of each calendar year. The proposed Management Plan shall be	No rule issued.

FINANCIAL REGULATIONS	FINANCIAL RULES
circulated to members of the Board not later than 30 days before the session.	
Financial Regulation 9.3: The proposed Management Plan shall include the estimated resources and expenditures for each programme category and shall show proposed appropriations for programme support and administrative services in such separate main appropriation lines as may be decided by the Board.	No rule issued.
Financial Regulation 9.4: The proposed Management Plan will include: <ul style="list-style-type: none"> a) planned outcomes and indicators of achievement; b) comparative tables setting out the proposals for the following financial period, the approved WFP Budget for the current financial period and the approved WFP Budget for the current financial period as modified in the light of actual receipts and expenditures; and c) such statistical data, information, explanatory statements and staffing tables including those with regard to the second and third years of the Management Plan period, as may be requested by the Board or considered appropriate by the Executive Director. 	No rule issued.
Financial Regulation 9.5: The Board shall consider the proposed Management Plan, and the related reports of the ACABQ and the Finance Committee, and shall approve the Management Plan, including the WFP Budget, prior to the beginning of the financial period covered by the WFP Budget.	No rule issued.
Financial Regulation 9.6: The Board's approval of the Management Plan, including the Budget, shall constitute: <ul style="list-style-type: none"> a) acceptance of the WFP programme of work for the following financial period and an authorization to the Executive Director to proceed with the implementation of the programme of work; and b) an authorization to the Executive Director to allocate funds, issue allotments, incur obligations and make payments for the purposes for which the appropriation was approved, up to the amount so approved. 	Rule 109.1: After the WFP budget has been approved by the Board, the Executive Director shall issue authorizations to designated officials to incur obligations and make payments under the authority of the Executive Director. These authorizations may take the form of: <ul style="list-style-type: none"> a) authorized staffing tables indicating the number and level of posts for the organizational unit(s) concerned; b) allotments of financial resources for specified expenditure purposes controlled by the official(s) so identified; or c) any other authorization to commit financial resources for a specific purpose or a specified period.

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>Rule 109.2: The official(s) to whom an allotment or authorization has been issued pursuant to Rules 109.1 and 108.2 shall be responsible for ensuring that obligations and expenditures remain within the relevant allotment or authorization and are incurred for the purposes for which they were authorized. Any obligation or expenditure beyond the authorized level shall require the prior authorization of the Executive Director.</p> <p>Rule 109.3: The Executive Director may exceptionally make commitments against resources anticipated for future financial periods if he or she decides it is in the interest of WFP to enter into such commitments, which shall normally be restricted to support requirements of a continuing nature or be based on other guarantee mechanisms approved by the Board.</p>
<p>Financial Regulation 9.7: The Executive Director may make transfers within each of the main appropriation lines of the approved Programme Support and Administrative budget. The Executive Director may also make transfers between appropriation lines up to limits the Board may specifically set.</p>	<p>No rule issued.</p>
<p>Financial Regulation 9.8: The Executive Director may propose a revision in the Management Plan, including a supplementary budget, for the financial period in a form and manner consistent with the Management Plan.</p>	<p>No rule issued.</p>
<p>Financial Regulation 9.9: Appropriations for Programme Support and Administrative services shall remain available for twelve months following the end of the financial period to which they relate, to the extent they are required to discharge any outstanding legal obligations. At the end of that twelve-month period, the remaining balance of any appropriation shall revert to the General Fund. Any unliquidated obligations shall at that time be cancelled or, where the obligations remain a valid charge, transferred to an obligation against current appropriations.</p>	<p>No rule issued.</p>
<p>X: The WFP Fund</p>	<p>X: The WFP Fund</p>
<p>Financial Regulation 10.1: The WFP Fund shall be subdivided into a General Fund, programme category funds, trust funds, and such other funds as the Board may establish from time to time. The Executive Director shall establish such accounts within the WFP Fund as are necessary to implement these Regulations.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.2: All resources received by WFP shall be credited to the relevant programme category fund, trust fund, General Fund or special account and all expenditures shall be charged to the relevant fund.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Financial Regulation 10.3: All contributions will be classified as multilateral, directed multilateral, or bilateral. The Executive Director may accept bilateral contributions only if they are for activities consistent with the objectives and policies of WFP's mission statement. The Executive Director may receive payment for service provision activities in accordance with Financial Regulation 4.8. The Executive Director shall report all resources received to the Board.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.4: In respect of each bilateral contribution accepted under Regulation 10.3 of these Regulations that concerns activities directly overseen at headquarters or a regional bureau, the Executive Director shall establish a trust fund.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.5: Within the General Fund, there shall be maintained an operational reserve at a level to be determined from time to time by the Board, on the recommendation of the Executive Director and after having considered the advice of the ACABQ and the Finance Committee. The purpose of the operational reserve shall be to ensure continuity of operations in the event of a temporary shortfall of resources. The Board shall establish guidelines for the use of the operational reserve.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.6: Drawdowns from the Operational Reserve shall be restored as soon as possible from the contributions made for the purpose for which the drawdown was made. At the end of each financial period, the Executive Director should determine any such forecast or confirmed contributions that are uncollectable and for which expenditure was incurred and request the Board to approve the replenishment of the Operational Reserve from the unearmarked portion of the General Fund. Such requests shall be made at the time of the presentation of the audited annual accounts.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.7: The Board may establish other reserves as required.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.8: The resources of the WFP Fund shall be used exclusively for the operational and support expenses of WFP. Furthermore, resources of the WFP Fund may be used to advance working capital to projects based on forecast contributions up to a ceiling which will be approved and reviewed periodically by the Board.</p>	<p>No rule issued.</p>
<p>Financial Regulation 10.9: All income other than contributions received and payment received in return for service provision shall be classified as miscellaneous income, subject to the provisions of Financial Regulation 11.3 below.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
XI: Management of financial resources	XI: Management of financial resources
<p>Financial Regulation 11.1: The Executive Director shall designate the bank or banks in which the monies of the WFP Fund will be kept.</p>	<p>Rule 111.1: The Executive Director shall establish all official bank accounts as may be required for operational purposes of WFP save where authorization is expressly given in these Rules to other officials. The Executive Director shall designate officials authorized to appoint or amend members of the signatory panels, and those designated officials shall be authorized to establish eligibility criteria of bank signatories. The authority and responsibilities of bank signatories are personal and cannot be delegated.</p> <p>Rule 111.2: If at an office away from WFP headquarters it is necessary to open a bank account at such short notice that there is insufficient time to make the necessary arrangements as set out in these Rules, the head of the office may open the account subject to the following:</p> <ul style="list-style-type: none"> a) wherever possible, the bank shall be a branch of one of the banks designated under Financial Regulation 11.1; b) the bank shall be informed that the account is an official account of WFP, and that the bank is authorized to provide to the Executive Director any information that the Executive Director may request concerning the account; and c) an immediate report shall be made to the Executive Director on the account opening, by electronic mail or fax. <p>Rule 111.3: All bank accounts shall be reconciled on a regular basis with the statements submitted by the banks.</p>
<p>Financial Regulation 11.2: Monies not required immediately may be invested by the Executive Director, bearing in mind the need for safety, liquidity and profitability.</p>	<p>Rule 111.4: For the purpose of investment of financial resources under Financial Regulation 11.2, the Executive Director shall issue from time to time investment policy circulars and other policy instruments and may avail of appropriate outside expertise.</p>
<p>Financial Regulation 11.3: Income from investments shall be credited, where applicable, to the related special account, and in all other cases to the General Fund as miscellaneous income. Unless otherwise specified by the contributor, interest accrued on donor funds administered by WFP through trust funds for bilateral contributions shall be credited to the IRA.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
XII: Internal control	XII: Internal control
<p>Financial Regulation 12.1: The Executive Director shall establish internal controls, including internal audit and investigation, to ensure the effective and efficient use of the resources of WFP and the safeguarding of its assets. Such internal controls shall take into account the best prevailing practices of governmental and commercial management and shall, <i>inter alia</i>, ensure:</p> <ul style="list-style-type: none"> a) that all payments are made on the basis of supporting vouchers or other documents which ensure that the services or goods have been received and that payments have not previously been made; b) the regularity of the receipt, custody and disposal of all resources of WFP; c) the conformity of expenditures and obligations with the appropriations, allotments or other authorizations approved, as the case may be, by the Board, or by the Executive Director. 	<p>Rule 112.1: All obligations must be properly certified, and all expenditures properly approved:</p> <ul style="list-style-type: none"> a) certification of an obligation means that the duly designated certifying officer attests that the commitment being made can properly be recorded against the relevant programme allotment or other authorization, and that financial resources are available in that allotment or other authorization to satisfy that commitment. b) approval of a payment means that the duly designated approving officer is satisfied, on the basis of supporting documentation, that the goods or services for which payment is claimed have been received or rendered in accordance with the terms of the contract or related obligation; that payment has not previously been made; and that no other information which would otherwise bar the payment is available. c) the Executive Director shall designate certifying officers and approving officers. d) except where physically impossible in the case of small field duty stations, no certifying officer shall at the same time be an approving officer. e) the authority and responsibilities of certifying and approving officers are personal and cannot be delegated.
	Physical inventory and asset management
	<p>Rule 112.2: Physical inventories shall be taken of assets owned or in the custody of WFP at such frequency as may be required to ensure that adequate control is exercised over such assets, and at least annually. The physical inventories shall be reconciled with the relevant asset records.</p>
	<p>Rule 112.3: All assets received by WFP shall immediately be inspected to ensure that the items comply with the specifications of the purchase contracts and that their condition is satisfactory. On receipt of an item, a goods received note shall be raised and details of the item entered into the relevant asset records. No goods received notes shall be raised before the relevant asset has been received.</p>
	<p>Rule 112.4: Assets owned by WFP shall be issued only to authorized officials or parties.</p>

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	<p>Rule 112.5: Assets owned by WFP that are issued to individuals for their own official use, such as personal computers, mobile phones, tablets, calculators or tools, and other electronic devices, shall be recorded in the asset records as assets assigned to the individual. The relevant individual is personally responsible and accountable for the return of the item in its original condition, normal wear and tear excepted. Failure to present the item in question when a physical count is undertaken, on separation from service or after written notice is served within a reasonable time, will constitute personal liability and restitution to WFP should immediately be made either in cash or in kind.</p> <p>Rule 112.6: The Executive Director shall establish Property Survey Boards, at headquarters and in offices outside headquarters, who will provide written recommendations to the delegated authority on all matters relating to the management of assets owned by WFP, including strategic and operational recommendations on procurement planning, acquisition, custodianship, use, environmental issues, reporting and oversight, and disposal or loss.</p> <p>Rule 112.7: Reviews of assets for disposal:</p> <ul style="list-style-type: none"> a) The Property Survey Board constituted under Rule 112.6 shall, among others, review assets for disposal which shall comprise of the following: <ul style="list-style-type: none"> (i) a review of shortages and overages of, and damage to, assets ascertained through inventories or by other means; (ii) a determination of assets that become surplus or unserviceable through obsolescence or normal wear and tear; (iii) a review and analysis into the cause of any shortage or overage of and damage to assets, and recommended actions to be taken thereon; and (iv) recommendations on disposal of assets which have become surplus or unserviceable through obsolescence or normal wear and tear. b) Such reviews shall in each instance indicate the degree of responsibility, if any, attaching to any official for shortage, overage or damage.

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>Rule 112.8: Disposal of assets declared surplus or unserviceable by a duly constituted Property Survey Board shall be made by competitive bidding, unless the Property Survey Board:</p> <ol style="list-style-type: none"> a) considers that the exchange of assets in partial or full payment for replacement assets is in the best interests of WFP; b) determines that the destruction of the surplus or unserviceable assets will be more economical or is required by law or by the nature of the asset; or c) determines that the best interests of WFP will be served by disposal, by donation or sale at nominal prices, to a government or some other non-profit organization. <p>Any exception to this rule must be documented by a statement signed by the constituted Property Survey Board.</p> <p>Rule 112.9: Delivery of disposed assets shall be made only on confirmation that the consideration has been received by and is available to WFP.</p> <p>Rule 112.10: The proceeds from sale of assets shall be credited as miscellaneous income to the source of funds charged with the purchase thereof.</p> <p>Statement on internal control and oversight</p> <p>Rule 112.11: The Executive Director shall submit to the Board for information a statement on internal control within WFP. Such statement shall be submitted during the annual session of the Board.</p> <p>Rule 112.12: Independent internal audits, proactive integrity reviews, inspections and investigations and other advisory services provided by the Office of the Inspector General (OIG) shall be conducted in accordance with the Charter of the Office of the Inspector General.</p>
<p>Financial Regulation 12.2: An obligation, regardless of the source or purpose of the monies, shall be incurred only after the relevant allotment has been made in writing by or under the authority of the Executive Director.</p>	<p>Rule 112.13: All proposed expenditures shall first be recorded as a commitment at the time the obligation legally arises.</p> <p>Rule 112.14: The Executive Director shall have certification authority for all accounts of the WFP Fund.</p> <p>Rule 112.15: All payments shall be made by cheque or bank transfer, except to the extent that cash payments are authorized by the Executive Director or, in offices outside headquarters, by a duly authorized official on his/her behalf. All cheques or payment instructions shall be signed by two authorized signatories. Receipts shall be obtained for all payments.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>All payments shall be made to the beneficiaries stipulated in the contracts, purchase orders or other relevant obligating documents.</p> <p>Control mechanisms shall be established to obtain confirmation of receipt of all cash payments by their beneficiaries.</p> <p>Rule 112.16: Payments shall be recorded in the accounts on the date the cheque was issued, the bank transfer requested, electronic payment authorized, or the cash disbursed.</p> <p>Rule 112.17: For financial resources received by WFP, an official pre-numbered receipt shall be issued by a duly authorized official as of the date financial resources are received. All financial resources received shall be recorded in the accounts as of the date they are received. All financial resources received shall be deposited in an official bank account not later than the business day following the day of receipt.</p> <p>Rule 112.18: Petty cash advances may be made to officials designated by the Executive Director; the amount thereof being held to a minimum compatible with working requirements.</p> <p>Rule 112.19: Officials to whom petty cash advances are issued shall use them only for the purposes for which the advance was authorized and shall be held personally responsible and financially liable for the proper management and safekeeping of the cash advanced. They shall keep all cash and negotiable instruments in safe custody.</p> <p>Rule 112.20: Offices outside headquarters may obtain funds through remittances from headquarters at a level established by the Executive Director for each office.</p>
<p>Financial Regulation 12.3: The Executive Director may make such <i>ex gratia</i> payments as the Executive Director deems necessary in the interest of WFP. The Executive Director shall report all such payments to the Board with the financial statements.</p>	<p>Rule 112.21: The Executive Director shall establish criteria when <i>ex gratia</i> payments are to be made, including identification of the source of funding for such <i>ex gratia</i> payments.</p>
<p>Financial Regulation 12.4: The Executive Director may, after full investigation, authorize the writing-off of losses of cash, commodities and other assets, provided that a statement of all amounts written off shall be submitted to the External Auditor with the financial statements.</p>	<p>Rule 112.22: The Executive Director may, after full investigation, which shall take the form of a due diligence review, authorize the writing-off of losses of cash, commodities and other assets deemed to be irrecoverable. Investigations undertaken pursuant to this Rule shall be without prejudice to Rule 112.12.</p> <p>Rule 112.23: Parties deemed responsible for any losses incurred may be required to make reimbursement to WFP, either partially or in full.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Financial Regulation 12.5: Competitive tenders for commodities, transport, equipment, supplies and other requirements shall be invited by means of formal invitations to bid, advertisements or requests for proposals, except where the Executive Director takes a documented decision that a departure from this Financial Regulation is necessary.</p>	<p>Rules common to all procurements</p>
	<p>Rule 112.24: The Executive Director shall designate a procurement authority for all procurement actions. Procurement authority shall mean an official having delegated authority to authorize the procurement action, to enter into contractual arrangements with third parties on behalf of WFP financially obligating WFP and, subsequently, to approve the relevant payments.</p>
	<p>Rule 112.25: In cases where the advice of a procurement review committee is required and the procurement authority decides not to follow the advice of the relevant committee, the procurement authority shall record and document the reasons for such decisions.</p>
	<p>Rule 112.26: Except as otherwise provided in Financial Regulation 12.5 and these Rules, all procurement actions shall be undertaken in line with the public procurement principles of best value for money, competition, fairness and transparency and the interests of WFP.</p>
	<p>Rule 112.27: Each determination or decision taken by an official pursuant to Rules 112.33 to 112.39 below shall be appropriately recorded and shall be supported by the written findings of that official.</p>
	<p>Rule 112.28: In accordance with Financial Regulation 12.5, the requirements for the procurement process under Rules 112.33, 112.34 and 112.36, may be waived by the Executive Director for specific circumstances as laid out by the Executive Director. The application of such specific circumstances established by the Executive Director as a basis for waivers, must be approved on a case-by-case basis by the relevant procurement authority before the procurement action is initiated. Each determination or decision to waive competitive procurement process taken by an official shall be appropriately recorded and shall be supported by the written findings of that official.</p>
<p>Rule 112.29: The Executive Director may authorize the use of long-term agreements or other procurement modalities when this is in the Programme's interests. Long-term agreement shall mean a contract between WFP and a supplier that is established for a definite period of time for specific goods and/or services at a prescribed price or pre-determined pricing mechanism and with no legal obligation for WFP to order any minimum or maximum quantity. Long-term agreements cannot offer procurement exclusivity for the supplier contracted with by WFP.</p>	

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>Rule 112.30: Procurement contracts or purchase orders shall be used, as appropriate, for every procurement action.</p> <p>Rule 112.31: Except where normal commercial practice or the interests of WFP so require, no advance or progress payments shall be made in advance of the delivery of goods or performance of services contracted for. However, the Executive Director may authorize advance or progress payments, in which case the reasons thereof shall be recorded. The Executive Director shall establish criteria for when and to whom the delegated authority to grant exceptional advances shall be made.</p> <p>Rule 112.32: The Executive Director may cooperate with other organizations of the United Nations system to meet the procurement requirements of WFP, provided that the regulations and rules of those organizations are consistent with those of WFP. The Executive Director may, as appropriate, enter into agreements for such purposes. Such cooperation may include carrying out common procurement actions together, adopting or entering into a contract relying on a procurement and solicitation process decision of another United Nations organization, including accepting the awards made by the contracts review committees of other organizations, utilizing contracts of other United Nations organizations, participating in joint contract review committees or requesting another United Nations organization to carry out procurement activities on behalf of WFP.</p>
	<p>Procurement of food commodities and related packaging</p> <p>Rule 112.33: For the procurement of food commodities and related packaging, the following shall apply:</p> <ul style="list-style-type: none"> a) procurement of food commodities and related packaging will be made on the basis of competition, international, regional or local, or a combination of these, as decided by the Executive Director in the light of availability, ease and speed of transport, and other relevant factors; b) except as provided under Rule 112.33 (d), at least three bids or quotations shall be requested from recognized reputable suppliers of the commodity in question;

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>c) where competition has been initiated, the best value offer shall be selected, taking into account such factors as: price, specifications, transportation costs, timelines of delivery, packaging, official or international grades or standards, where applicable and accepted in trade, and other requirements;</p> <p>d) where prices and/or other terms of commodity sales are controlled by national legislation or by regulatory bodies, the government agency concerned will be asked to submit its lowest quotation;</p> <p>e) where the procurement is effected from a government agency, the Executive Director shall ensure that the price offered is competitive, taking into account price indications, including transport costs, from alternative sources of supply for a comparable type and grade of commodity;</p> <p>f) when conditions are equal, preference will be given to procuring from developing countries;</p> <p>g) the Executive Director shall establish a structure of food purchases committees at headquarters and offices outside headquarters that will evaluate and analyse, in line with their delegated authorities, all offers received in relation to the procurement of food commodities and related packaging and render advice to the appropriate procurement authority.</p>
	<p>Procurement of transportation and insurance</p>
	<p>Rule 112.34: For the transportation of commodities arranged by WFP, and related insurance and superintendence services, the following shall apply:</p> <p>a) in the case of liner vessels, the rate of freight shall be as determined through a competitive process and negotiations with a freight forwarder or the shipping lines concerned, or as may be determined by applicable trade tariffs and variable surcharges valid at time of shipment. In all cases the decision on the choice of carrier shall take into account, inter alia, the rate of freight, the reputation of the liner and the quality of the service offered;</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>b) in the case of charter vessels, competitive proposals shall be sought through a panel of international shipbrokers appointed by the Executive Director. Selection of an offer shall be based on the rate offered, various technical factors including but not limited to the suitability and age of the vessel, reputation of the shipowner through a financial/technical vetting process, past performance of the shipowner/vessel, and on the result of any subsequent rate negotiations;</p> <p>c) in the case of landside transport:</p> <p>(i) overland transport and related logistics services:</p> <ul style="list-style-type: none"> • for consignments of over 2,000 tons, at least three locally registered companies in the transit or recipient countries shall be invited to quote for transportation including, where applicable, bagging and stevedoring services in accordance with established delivery terms and other relevant conditions. The selection shall be made, inter alia, on the basis of the rate offered, capacity, adherence to delivery terms and other conditions of the contract and, where applicable, prior experience. <p>(ii) inland transport and other related logistics services:</p> <ul style="list-style-type: none"> • arrangements for inland transport shall be made on a competitive basis through the issuance of requests for quotation to at least three reputable transporters. Selection of an offer should be based, inter alia, on the rates offered, capacity, adherence to delivery terms of the contract, and where applicable, prior experience.

FINANCIAL REGULATIONS	FINANCIAL RULES
	<ul style="list-style-type: none"> • the Country Director shall establish a Local Transport Committee that will evaluate and analyse all the valid offers received and render advice to the procurement authority. <p>d) air transport shall require the specific authorization of the Executive Director or by the official to whom he or she has delegated this authority. Competitive offers shall, where possible, be sought from suitable aircraft owners or operators and from one or more reliable airbrokers. Selection shall be made after negotiation, in the light of:</p> <ul style="list-style-type: none"> (i) the rates quoted for freight, costs of positioning and depositioning, daily standing charges, minimum levels of liability insurance cover, war risk insurance premium, if any, and other related expenses; (ii) the suitability of the aircraft and reputation of its owner or operator; and (iii) the immediate availability of the aircraft. <p>e) insurance arrangements in respect of transportation and other activities shall be periodically reviewed, by obtaining indications of rates from various markets for diverse types of cover, to ensure that WFP's coverage is the most suitable available in the light of cost and other relevant factors. Cover shall be placed at regular intervals on the basis of an evaluation of quotations received from reputable insurance companies or brokers. The Executive Director may authorize write-offs or waivers of insurance claims if, in his or her opinion, these are irrecoverable;</p> <p>f) arrangements for stevedoring, warehousing, reconditioning of damaged cargo, special ad hoc insurance arrangements and other ancillary services and supplies shall be concluded as required by WFP in the light of operational needs and of the rates and quality of service offered;</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p data-bbox="906 264 1412 974">g) freight forwarding agents, overland forwarders, superintendents and chartering brokers shall be appointed wherever possible after review of questionnaires or requests for offers sent to selected companies and of subsequent interviews. Selection shall be made on the basis of perceived competence and quality of services offered. Where these procedures are not practicable because of the limited number of available candidates, the limited scope of the operation, or because of urgency, the appointment shall be made on the basis of the best information available to the Executive Director. The Executive Director shall arrange for regular evaluation of the performance of agents, freight forwarders, superintendents and brokers referred to in this sub-paragraph.</p> <p data-bbox="906 987 1412 1473">h) demurrage or detention charges resulting from failure by the recipient government to ensure quick berthing and unloading of a vessel shall be a charge to the government, and dispatch earned by prompt turnarounds shall be credited to the government. However, in cases where WFP has made special arrangements, for operational reasons, resulting in WFP assuming responsibility for demurrage, detention or dispatch, neither demurrage nor detention will be charged, nor dispatch credited to the recipient government; and</p> <p data-bbox="906 1487 1412 1771">i) the Executive Director shall designate the procurement authority for all arrangements for transportation, insurance and related services. The procurement authority will decide, based on the advice of relevant officials who will analyse and evaluate all quotes or offers received, on the selection of the offer.</p> <p data-bbox="826 1794 1422 2045">Rule 112.35: The Executive Director shall establish one or more bodies which will oversee the commodities, transport and insurance functions. These bodies will review, on a regular basis, the adequacy of the arrangements set out in Rules 112.33 and 112.34 and, in particular, the manner in which relevant selection procedures have been used; and will make related recommendations</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>to the Executive Director. The relevant bodies shall selectively review ex post facto:</p> <ul style="list-style-type: none"> a) contracts concluded for purchases of food commodities and related packaging; b) contracts concluded for transportation by sea, land or air; c) general rate agreements; d) insurance arrangements; e) appointments of agents, freight forwarders, superintendents and brokers under Rule 112.34 (g); and f) agreements for stevedoring, warehousing and ancillary services. <p>Based on this review the relevant bodies may make recommendations to the Executive Director on:</p> <ul style="list-style-type: none"> (i) proposed insurance write-offs and waivers of demurrage claims against recipients with an estimated value of over US\$25,000; and (ii) policy issues on procurement of commodities; packaging, transportation, insurance and other related services which may affect WFP's operations.
	Procurement of goods and services
	<p>Rule 112.36: All procurement of goods and services (including construction and major rehabilitation of infrastructure) other than those covered by Rules 112.33 and 112.34, shall be done on a competitive basis and carried out by the issuance of solicitation documents, which are either in the form of invitations to bid, requests for quotations or requests for proposal, to be delivered to at least three reputable suppliers of the relevant goods and services.</p>
	<p>Rule 112.37: Requests for quotation, invitations to bid, or requests for proposal shall be issued in accordance with procedures established by the Executive Director.</p>
	<p>Rule 112.38: The Executive Director shall establish a Goods and Services Purchase and Contracts Committee at headquarters and at offices outside of headquarters which will review and examine all bids, quotes and proposals received and render advice to the relevant procurement authority for the following procurement of goods and/or services under Rule 112.36.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<ul style="list-style-type: none"> a) all procurement actions (competition and waivers) involving commitments either as a single request or a series of related requests with a total value of US\$500,000 or more at headquarters or US\$100,000 or more at offices outside headquarters; b) all long-term agreements or contracts including their renewals or amendments other than the exercise of an existing option to extend at the same terms and conditions; c) proposed purchase orders against long-term agreements with a value exceeding the thresholds set out in Rule 112.38 (a); d) all renewals or amendments of existing long-term agreements or contracts which will result in an additional cost to WFP of 10 percent or more of the accumulated cost of the original obligation plus all related amendments; e) proposed purchase orders or contracts for a value of US\$100,000 or over that have been subsequently cancelled, and related reasons and justifications; f) all procurement actions that are recommended for award and do not adhere to procurement policy and procedures; g) such other policy issues and procurement actions resulting from the review of contracts and purchases, as it may consider appropriate to submit to the procurement authority or to the Executive Director. <p>Proposed contracts or purchase orders below the amounts specified in Rule 112.38 (a) shall not be reviewed by a Goods and Services Purchase and Contracts Committee, provided that there is a recorded assessment of competitive and responsive quotations prepared by the responsible procurement officer. All exceptions shall be documented by the responsible procurement officer for review by the appropriate procurement authority who may request the review and advice of the relevant Goods and Services Purchase and Contracts Committee.</p> <p>The Executive Director shall define a level of small value (micro) purchases and establish streamlined procedures for the purchase of such items.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>Rule 112.39: All procurement of goods and services other than those under Rules 112.33 and 112.34, shall be awarded based on the following:</p> <ul style="list-style-type: none"> a) in the case of invitations to bid and requests for quotation, contracts or purchase orders shall be awarded to the best qualified supplier or contractor submitting the most technically acceptable and lowest bid or quote, provided that if the interests of WFP so require any or all bids or quotes may be rejected. In the latter instance, the reasons for rejection shall be recorded and a determination made whether to invite new competitive tenders or to enter into a negotiated contract; b) in the case of requests for proposals, contracts or purchase orders shall be awarded to the qualified supplier or contractor whose bid substantially conforms to the requirements set forth in the solicitation documents and whose proposal (technical and financial) is considered to be the best value and the most responsive to the needs of WFP.
XIII: Financial statements	XIII: Financial statements
<p>Financial Regulation 13.1: The Executive Director shall submit to the Board for its approval annual financial statements in respect of the WFP Fund, including its funds and accounts. These financial statements shall be prepared in accordance with the International Public Sector Accounting Standards.</p>	<p>Rule 113.1: The Executive Director shall establish and maintain financial records, systems and procedures providing accurate and timely information required for internal management purposes, for the preparation of the financial statements in respect of the WFP Fund, for submission to the External Auditor, and for reporting to the Board, the Advisory Committee on Administrative and Budgetary Questions and the Finance Committee.</p>
	<p>Rule 113.2: The main financial statements shall consist of the following:</p> <ul style="list-style-type: none"> a) Statement of Financial Position; b) Statement of Financial Performance; c) Statement of Changes in Net Assets; d) Statement of Cash Flow; and e) Statement of Comparison of Budget and Actual Amounts.

FINANCIAL REGULATIONS	FINANCIAL RULES
	<p>Rule 113.3: The financial statements are prepared on a fund accounting basis, showing at the end of the period the consolidated position of all WFP funds. In addition, all transactions are classified and presented in one of the three segments as follows:</p> <ul style="list-style-type: none"> a) Programme Category Funds; b) General Fund and Special Accounts; and c) Trust Funds. <p>Rule 113.4: Detailed accounts shall be kept separate for programme category funds, General Fund and special accounts and trust funds, and shall consist of:</p> <ul style="list-style-type: none"> a) general ledger accounts showing all revenue, expenses, assets, liabilities and net assets including reserves; and, in addition b) for programme category funds, programme accounts showing the following: <ul style="list-style-type: none"> (i) programme identification numbers; (ii) country portfolio budget allocations; (iii) disbursements and unliquidated obligations (operational costs, direct and indirect support costs); and (iv) unencumbered balances of country portfolio budget allocations. <p>Rule 113.5: The Executive Director shall formulate the retention and disposal policy of financial records and all supporting documents establishing such periods as necessary, except for those periods pertaining to outstanding audit issues which may be agreed with the External Auditor, after which they may be destroyed on the authority of the Executive Director.</p>
<p>Financial Regulation 13.2: The financial statements shall be presented in United States dollars. Accounting records may also be kept in such other currencies as the Executive Director may deem necessary.</p>	<p>Rule 113.6: Conversion of records into other currencies shall be in accordance with International Public Sector Accounting Standards (IPSAS). For programme accounts, losses and gains on exchange shall be charged or credited to the account of the programme concerned, when feasible. When not feasible for programme accounts, and for programme support and administrative budget accounts, losses or gains shall be charged or credited to miscellaneous income of the General Fund. For trust funds and special accounts, losses or gains shall be charged or credited to the relevant trust fund or special account.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Financial Regulation 13.3: The Executive Director shall certify the financial statements and submit them not later than 31 March following the end of each financial period, to the External Auditor for examination and opinion.</p>	<p>Rule 113.7: The Executive Director shall certify that, to the best of his or her knowledge and information, all transactions have been properly entered in the accounting records and that these transactions together with the financial statements present fairly the financial position of WFP.</p> <p>Rule 113.8: In addition to the financial statements, the Executive Director shall provide to the External Auditor a summary of significant accounting policies and information on:</p> <ul style="list-style-type: none"> a) ex gratia payments; b) losses and write-offs of cash and other assets; c) exceptions to these Rules; and d) such other information as the External Auditor may require.
<p>XIV: External audit</p>	<p>XIV: External audit</p>
<p>Financial Regulation 14.1: The Board shall appoint an External Auditor to perform the audit of the accounts of WFP. The External Auditor shall be the Auditor-General (or official holding the equivalent title) of a State Member of the United Nations or FAO.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.2: The External Auditor shall be appointed through a competitive selection process for a non-renewable six-year term. Another appointment may be possible after a break of at least one term.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.3: The audit shall be conducted in accordance with Common Auditing Standards of the Panel of External Auditors of the United Nations, the Specialized Agencies and the International Atomic Energy Agency and in accordance with the additional terms of reference set out in the Annex to these Regulations.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.4: The External Auditor may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of WFP.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.5: The External Auditor shall be completely independent and solely responsible for the conduct of the audit.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.6: The Board may request the External Auditor to perform specific examinations and issue separate reports thereon.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.7: The Executive Director shall provide the External Auditor with the facilities he or she may require in the performance of the audit and any specific examination requested by the Board.</p>	<p>No rule issued.</p>

FINANCIAL REGULATIONS	FINANCIAL RULES
<p>Financial Regulation 14.8: The External Auditor shall issue a report on the audit of the financial statements and relevant schedules relating to the accounts of the financial period, which shall include such information as the External Auditor deems necessary with regard to the matters referred to in Financial Regulation 14.4 and in the additional terms of reference.</p>	<p>No rule issued.</p>
<p>Financial Regulation 14.9: External audits will be conducted exclusively by the External Auditor appointed by the Board, provided that for the purpose of making a local or special examination or of effecting economies of audit cost, the External Auditor may engage the services of any national Auditor-General (or person exercising an equivalent function) or commercial public auditors of known repute or any other person or firm who, in the opinion of the External Auditor, is technically qualified.</p>	<p>No rule issued.</p>