

برنامج  
الأغذية  
العالمي



Programme  
Alimentaire  
Mondial

World  
Food  
Programme

Programa  
Mundial  
de Alimentos

**Executive Board  
Third Regular Session**

**Rome, 19 - 22 October 1998**

# INFORMATION NOTES

## 1998–99 BIENNIUM TONNAGE AND EXPENDITURES

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1. The Executive Director is pleased to inform the Executive Board that the volume of food estimated to be delivered during the current biennium has increased dramatically since budget estimates were made.
2. The tonnage for the biennium is now expected to exceed 5.4 million tons of commodities. Turnover—or the cost of commodities, ocean transport, landside transport, storage and handling (LTSH), and direct and indirect support costs—is now estimated to be approximately 3 billion dollars.<sup>1</sup> These figures compare favourably to the original median estimate of 4.3 million tons of commodities, with a turnover of 2.4 billion dollars, on which the Programme Support and Administrative (PSA) budget is based. In fact, the actual figures even exceed the high-end estimate of 4.99 million tons and a corresponding turnover of 2.76 billion dollars. Last year, WFP reached 53 million people with food aid. This year, the programme expects to reach over 87 million people.
3. The major increase in tonnage, donated to WFP for this biennium, is primarily due to the generosity of the United States of America, which has confirmed to date donations of one million tons of wheat and wheat products over and above its traditional contribution. The total value of this new donation is approximately 450 million dollars. The entire contribution has been made on a full-cost recovery basis.
4. This contribution comes at a critical time, in the light of greatly increased needs around the world. The additional commodities have been programmed largely to meet food crises in support of WFP's humanitarian relief efforts in Bangladesh, China, the Democratic People's Republic of Korea, Indonesia, and Sudan. The contribution also supports WFP's protracted relief and recovery and development activities, with the principal recipients being Afghanistan, Bangladesh, Ethiopia, Liberia, Peru and Yemen.
5. The vast increase in tonnage and turnover will obviously increase the workload and will have budgetary implications. The Board, according to the decision taken at the Third Regular Session of 1997, "authorized the Executive Director to adjust the Budget in accordance with any variation in volume of operations (as authorized in paragraph 238 of the budget document), when such variations are more than 10 percent from the planned level."<sup>2</sup> The Executive Director is using this delegated authority from the Executive Board to enable WFP to administer these resources and at the same time meet several key strategic priorities. The Board will be kept informed on this matter.

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<sup>1</sup> All monetary values are expressed in United States dollars.

<sup>2</sup> Document WFP/EB.3/97/13, decision 1997/EB.3/4 h).

