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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 2016, USD 6.4 million of unrestricted cash was available, compared to USD 3.3 million in 2015. Of this total, USD 2.7 million, or 43 percent, was utilized to purchase food from developing countries, down from USD 2.8 million and 87 percent in 2015. The remaining USD 3.6 million, or 57 percent, was used for purchases from developed countries, compared to USD 0.4 million or 13 percent in 2015. 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 2016 (WFP/EB.A/2017/4).

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TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2016 – DEVELOPMENT PROGRAMME CATEGORY (USD)		
Purchased from	Developing countries	Developed countries
Argentina	21 555	-
Belgium	-	54 440
Benin	361 007	-
Burkina Faso	296 893	-
Canada	-	45 107
China	275 400	-
France	-	30 899
Ghana	396 800	-
India	28 626	-
Indonesia	127 928	-
Japan	-	1 717 755
Liberia	145 757	-
Mozambique	49 695	-
Nepal	221 065	-
Pakistan	115 763	-
Russian Federation	-	75 768
Rwanda	172 841	-
Senegal	3 431	-
South Africa	469 829	-
United States of America	-	1 709 157
Zambia	31 167	-
Total 2016	2 717 757	3 633 126
GRAND TOTAL 2016	6 350 883	
Percentage 2016	43	57
Total 2015	2 833 558	440 522
GRAND TOTAL 2015	3 274 080	
Percentage 2015	87	13

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 2016, the value of such contributions was USD 125.7 million under twinning arrangements, up from USD 116.5 million in 2015. In-kind commodities and services were matched with USD 79.4 million of cash contributions from other donors, up from USD 66.0 million in 2015, and USD 0.2 million from the Emerging Donor Matching Fund (EDMF), down from USD 2.4 million in 2015. There was no ISC waived on these contributions in 2016. ISC waived in 2015 on such contributions was USD 0.3 million.

Donor	Commodity/ service value	Other costs and ISC covered by		ISC Waived
		Other donor	EDMF *	
Bangladesh	3 745 046	1 907 923	-	-
Cambodia	258 776	146 224	197 649	-
Ethiopia	1 491 248	927 655	-	-
International Committee of the Red Cross Sudan	358	404	-	-
Kenya	581 421	861 883	-	-
Malawi	57 452 837	29 132 458	-	-
Nepal	592 800	768 002	-	-
Nicaragua	1 307 012	455 435	-	-
Pakistan	55 614 047	41 029 741	-	-
Sri Lanka	776 356	485 880	-	-
Zambia	680 640	586 275	-	-
Zimbabwe	3 195 095	3 054 707	-	-
TOTAL 2016	125 695 636	79 356 587	197 649	-
TOTAL 2015	116 530 692	66 044 182	2 389 192	277 162

* The Emerging Donor 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 2016, total contributions received for in-kind services and non-food items increased to USD 20.9 million, compared to USD 17.4 million in 2015. The total value of waivers of ISC granted in 2016 increased to USD 1.8 million, compared to USD 1.2 million in 2015. Table 3 provides the details by donor agency, recipient country, value and ISC waived.

TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) IN 2016 (USD)			
Donor	Recipient country/region	Value	ISC waived
Australian Civilian Corps (ACC)	Lebanon	204 850	14 339
Canada's Civilian Reserve (CANADEM)	Central African Republic	215 483	21 548
	Ethiopia	225 961	22 596
	Haiti	60 600	6 060
	Headquarters Rome	413 877	41 388
	Nigeria	143 341	14 334
	South Sudan	53 788	5 379
	Tajikistan	136 749	13 675
Crisis Management Centre (CMC)	Sierra Leone	121 406	8 498
Danish Emergency Management Agency (DEMA)	Haiti	540 022	37 802
Danish Refugee Council (DRC)	Bangkok Regional Bureau	36 998	3 700
	Central African Republic	18 330	1 833
	Djibouti	61 804	6 180
	Haiti	117 380	11 738
	Malawi	74 311	7 431
	Mozambique	92 305	9 231
	Nigeria	163 994	16 399
	South Sudan	54 362	5 436
	Switzerland	169 143	16 914
Ericsson Response	Haiti	122 031	12 203
	Haiti	22 113	2 211
	Headquarters Rome	32 256	3 226
German Federal Agency for Technical Relief (THW)	Headquarters Rome	122 614	8 583
Icelandic Crisis Response Unit (ICRU)	Cairo Regional Bureau	44 296	3 101
	Lesotho	161 283	11 290
	Nairobi Regional Bureau	187 288	13 110
Information Management and Mine Action Programs Inc.	Johannesburg Regional Bureau	120 517	12 052
	Syrian Arab Republic	183 511	18 351
Irish Aid	Djibouti	70 816	4 957
	Ghana	16 260	1 138
	Haiti	85 985	6 019
	Jordan	202 123	14 149
	Nigeria	168 979	11 829
	Syrian Arabic Republic	107 140	7 500

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Donor	Recipient country/region	Value	ISC waived
	Timor-Leste	66 780	4 675
	Turkey	134 737	9 432
	United Arab Emirates	158 551	11 099
MasterCard	Lebanon	263 206	26 321
Norwegian Refugee Council (NRC)	Armenia	19 442	1 944
	Burundi	142 207	14 221
	Cairo Regional Bureau	164 117	16 412
	Cameroon	62 055	6 205
	Chad	94 872	9 487
	Democratic Republic of the Congo	10 087	1 009
	Democratic Republic of the Congo	46 818	4 682
	Ethiopia	42 534	4 253
	Haiti	86 814	8 681
	Headquarters Rome	394 462	39 446
	Iraq	21 255	2 126
	Lao People's Democratic Republic	62 145	6 215
	Malawi	114 770	11 477
	Niger	187 476	18 748
	Nigeria	13 320	1 332
	Pakistan	75 268	7 527
Sierra Leone	135 861	13 586	
Zimbabwe	210 379	21 038	
PostNL	Headquarters Rome	49 144	4 914
Quintiq	Headquarters Rome	2 980 458	298 046
RedR Australia	Bangkok Regional Bureau	140 532	14 053
	Central African Republic	134 047	13 405
	Ethiopia	212 026	21 203
	Fiji	51 301	5 130
	Headquarters Rome	324 355	32 435
	Johannesburg Regional Bureau	110 566	11 057
	Lao People's Democratic Republic	239 271	23 927
	Papua New Guinea	93 672	9 367
	Switzerland	124 316	12 432

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Donor	Recipient country/region	Value	ISC waived
	Syrian Arabic Republic	68 198	6 820
	Timor-Leste	60 863	6 086
	Uganda	179 405	17 940
	Ukraine	140 362	14 036
	United Arab Emirates	80 053	8 005
	Zimbabwe	68 289	6 829
Renault Trucks	Headquarters Rome	43 564	4 356
Royal DSM N.V (DSM)	Headquarters Rome	371 669	34 288
Stop Hunger	Headquarters Rome	15 669	1 567
Swedish Civil Contingencies Agency (MSB)	Algeria	21 540	1 508
	Cameroon	132 219	9 255
	Central African Republic	1 051 647	73 615
	Chad	50 091	3 506
	Ethiopia	829 349	58 054
	Headquarters Rome	43 271	3 029
	Iraq	86 607	6 063
	Lebanon	318 721	22 310
	Mozambique	194 690	13 628
	Nairobi Regional Bureau	125 622	8 794
	Nigeria	70 301	4 921
	Somalia	139 093	9 737
	South Sudan	71 378	4 996
	Swaziland	130 367	9 126
	Ukraine	116 649	8 165
	Ukraine	49 807	3 486
Zimbabwe	141 199	9 884	
Swiss Agency for Development and Cooperation (SDC)	Afghanistan	181 658	12 716
	Bangkok Regional Bureau	389 866	27 291
	Colombia	188 881	13 222
	Democratic Republic of the Congo	153 467	10 743
	Ecuador	19 159	1 341
	Haiti	60 606	4 242
	Johannesburg Regional Bureau	117 787	8 245
	Jordan	84 955	5 947
	Madagascar	131 037	9 173

TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE XIII.4 (g) IN 2016 (USD)			
Donor	Recipient country/region	Value	ISC waived
	Madagascar	207 201	14 504
	Myanmar	495 754	34 703
	Nairobi Regional Bureau	48 648	3 405
	Nepal	7 618	533
	Niger	245 037	17 153
	Pakistan	235 572	16 490
	Somalia	199 213	13 945
	Sudan	412 787	28 895
	Syrian Arabic Republic	312 245	21 857
	Uganda	105 489	7 384
	United Arab Emirates	307 989	21 559
United Kingdom's Department for International Development (DFID)	Ethiopia	61 929	4 335
	Sierra Leone	19 323	1 353
UPS	Haiti	386 944	38 694
USAID	Liberia	433 332	30 333
TOTAL 2016		20 925 880	1 778 152
TOTAL 2015		17 373 585	1 223 056

Acronyms Used in the Document

DSC	direct support costs
EDMF	Emerging Donor Matching Fund
ISC	indirect support costs