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Programme
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World
Food
Programme

Programa
Mundial
de Alimentos

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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))

* In accordance with the Executive Board's decisions on governance, approved at the Annual and Third Regular Sessions, 2000, items for information should not be discussed unless a Board member specifically requests it, well in advance of the meeting, and the Chair accepts the request on the grounds that it is a proper use of the Board's time.

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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.

Acting Director, RMF*: Mr R. Van Der Zee tel.: 066513-2544

Should you have any questions regarding availability of documentation for the Executive Board, please contact the Conference Servicing Unit (tel.: 066513-2645).

* Finance and Treasury Division

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 commodities or services only from governments of developing countries, 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 (DSC) (General Rule XIII.4 (g)).

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

2. General Rule XII.4 requires that the Executive Director shall be responsible for making the optimum use of available resources in commodities, cash and acceptable services. To this end the Executive Director may use unrestricted cash resources to purchase commodities, to the maximum extent 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 2013, USD 27.1 million unrestricted cash was available (USD 40.8 million in 2012), of which USD 18.7 million (USD 33.9 million in 2012) or 69 percent (83 percent in 2012) was utilized to purchase food from developing countries. The amount used for purchases from developed countries was USD 8.4 million (USD 6.9 million in 2012) or 31 percent (17 percent in 2012). 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 (WFP/EB.A/2014/4).

TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2013 – DEVELOPMENT PROGRAMME CATEGORY (USD)

Purchased from	Developing countries	Developed countries
Argentina	789 000	
Australia		2 016 593
Bangladesh	2 301 860	
Belgium		927 699
Bolivia (Plurinational State of)	265 608	
Bulgaria		112 735
Burkina Faso	207 027	
Burundi	430 873	
Cambodia	558 126	
Canada		210 378
Egypt	1 194	
Estonia		99 953
Ethiopia	804 124	
France		105 263
Germany		25 852
Ghana	13 281	
India	1 739 801	
Indonesia	1 692 875	
Italy		2 801 729
Japan		986 083
Kazakhstan	62 556	
Lao People's Democratic Republic	348 186	
Madagascar	128 124	
Malawi	333 169	
Malaysia	223 972	
Mali	50 524	
Nepal	388 140	
Netherlands		11 776
Niger	339 213	
Pakistan	1 272 516	
Russian Federation		366 086
Rwanda	622 537	
Senegal	11 182	
South Africa	2 372 555	
Thailand	78 520	
Turkey	408 764	
Uganda	566 432	

TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2013 – DEVELOPMENT PROGRAMME CATEGORY (USD)		
Purchased from	Developing countries	Developed countries
United States of America		709 156
United Republic of Tanzania	2 000 357	
Viet Nam	93 825	
Zambia	642 328	
Total 2013	18 746 668	8 373 303
GRAND TOTAL 2013	27 119 971	
Percentage 2013	69	31
Total 2012		
	33 920 330	6 865 946
GRAND TOTAL 2012	40 786 276	
Percentage 2012	83	17

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

- Many governments of developing countries, countries with economies in transition, and other non-traditional donors continue their support to WFP operations through in-kind contributions of commodities or services under General Rule XIII.4 (f). In 2013, the value of such contributions was USD 65.1 million under twinning arrangements (USD 147.5 million in 2012). In-kind commodities and services were matched with USD 47.9 million of cash contributions from other donors (USD 116.1 million in 2012) and USD 1.7 million from the Emerging Donor Matching Fund (USD 9.7 million in 2012). The ISC waived on these contributions in 2013 was USD 0.02 million and there was no ISC waived in 2012.

Donor	Commodity/service value	Other costs and ISC covered by		ISC waived
		Other donor	EDMF*	
Brazil	5 483 205	4 794 440		
Chad	411 103	183 110		
Democratic Republic of the Congo (DRC)	880 500	701 337		
Cuba	209 764	183 395		
International Committee of the Red Cross	220 000	94 515		22 016
Kenya	579 979	226 597		
Liberia	159 873	151 818		
Malawi	4 760 897	2 273 147		
Nepal	63 910	91 928		
Pakistan	39 334 716	31 895 418	435 568	
Philippines	3 308 013	1 625 744	281 195	
Sudan	5 617 934	4 445 811		
Zambia	4 140 594	1 283 090	1 000 000	
TOTAL 2013	65 170 487	47 950 349	1 716 763	22 016
TOTAL 2012	147 544 524	116 067 512	9 714 049	-

*The EDMF provided finance for the associated costs of these contributions.

Waivers of Indirect Support Costs for In-Kind Personnel and Non-Food Item Service Packages Provided by Standby Partners (General Rule XIII.4 (g))

6. WFP's operations were augmented through in-kind personnel services and non-food item service packages provided by standby partners. In 2013, total contributions received for in-kind personnel services and non-food item service packages was USD 16.4 million compared to USD 13.7 million in 2012. The total value of waivers of ISC granted in 2013 was USD 1.1 million compared to USD 1 million in 2012. 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 X111.4 (g) in 2013 (USD)

Donor	Recipient country/region	Value	ISC waived
Canadem (Private)	Egypt	86 457	6 052
	Mali	72 567	5 080
Crisis Management Center Finland	Egypt	205 565	14 390
	Philippines	53 619	3 753
Danish Emergency Management Agency	Egypt	41 782	2 925
	Philippines	322 373	22 566
Danish Refugee Council	Afghanistan	71 947	5 036
	Mozambique	18 230	1 276
	Philippines	55 926	3 915
	Rwanda	172 914	12 104
	Switzerland	61 298	4 291
Department for International Development	Headquarters Rome	22 278	1 559
	Mali	108 851	7 620
	Philippines	623 324	43 633
Estonian Rescue Board	Philippines	84 866	5 941
Icelandic Crisis Response Unit	Malawi	302 713	21 190
Information Management and Mine Action Programs	Mali	48 467	3 393
Irish Aid	DRC	33 154	2 321
	Dakar Regional Bureau (OMD)	82 705	5 789
	Pakistan	169 490	11 864
	Philippines	62 364	4 365
	Somalia	168 792	11 815
	Syrian Arab Republic	33 425	2 340
Luxembourg (Ministry of Foreign Affairs)	Philippines	500 670	35 047
Norwegian Directorate for Civil Protection and Emergency Planning	Philippines	2 290 936	160 365

TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE X111.4 (g) in 2013 (USD)

Donor	Recipient country/region	Value	ISC waived
Norwegian Refugee Council	Chad	154 497	10 815
	DRC	163 915	11 474
	Egypt	250 970	17 568
	Ethiopia	397 128	27 799
	Guinea	328 193	22 974
	Headquarters Rome	228 505	15 995
	Kenya	343 902	24 073
	Mali	18 000	1 260
	Bangkok Regional Bureau (OMB)	75 223	5 266
	Cairo Regional Bureau (OMC)	107 476	7 523
	Panama Regional Bureau (OMP)	57 789	4 045
	Philippines	93 188	6 523
	Somalia	209 410	14 659
	South Sudan	200 128	14 009
	Sri Lanka	251 214	17 585
Yemen	105 917	7 414	
RedR Australia	Egypt	163 005	11 410
	Mali	159 125	11 139
	OMB	79 356	5 555
	OMC	2 687	188
	Philippines	15 975	1 118

TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND TO COVER DIRECT SUPPORT COSTS UNDER GENERAL RULE X111.4 (g) in 2013 (USD)

Donor	Recipient country/region	Value	ISC waived
Swedish Civil Contingencies Agency	Bangladesh	33 823	2 368
	Burkina Faso	60 722	4 251
	Cameroon	38 670	2 707
	Central African Republic	61 986	4 339
	Chad	265 085	18 556
	DRC	209 435	14 660
	Egypt	155 427	10 880
	Haiti	481 488	33 704
	Headquarters Rome	490 932	34 365
	Mali	52 776	3 694
	Mozambique	63 022	4 412
	Niger	90 398	6 328
	OMC	303 619	21 253
	Nairobi Regional Bureau (OMN)	187 747	13 142
	State of Palestine	10 856	760
	Philippines	1 171 199	81 984
	Senegal	85 557	5 989
	Sierra Leone	128 596	9 002
South Sudan	105 902	7 413	
Swiss Agency for Development and Cooperation	Colombia	210 364	14 726
	DRC	252 293	17 660
	Dubai	303 875	21 271
	Egypt	140 110	9 808
	Kenya	328 557	22 999
	Liberia	292 333	20 463
	Madagascar	161 289	11 290
	Mozambique	105 628	7 394
	Johannesburg Regional Bureau (OMJ)	316 181	22 133
	OMN	657 115	45 998
	South Sudan	149 077	10 435
	Sudan	378 847	26 519
Total 2013		16 393 223	1 147 526
Total 2012		13 703 860	959 570

ACRONYMS USED IN THE DOCUMENT

DRC	Democratic Republic of the Congo
DSC	direct support costs
ISC	indirect support costs
OMB	Bangkok Regional Bureau
OMC	Regional Bureau Cairo
OMD	Regional Bureau Dakar
OMJ	Regional Bureau Johannesburg
OMN	Nairobi Regional Bureau
OMP	Regional Bureau Panama