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Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

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PROJECT KENYA 2502 (Exp.3)

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PRIMARY SCHOOL FEEDING IN ARID AND SEMI-ARID LANDS (ASALS)

1. The project was recommended for approval by the CFA at its Fortieth Session. However, as a condition for WFP assistance, the Government of Kenya was required to extend full import duty and ad valorem tax exemption to all food aid consignments for direct distribution. The project's plan of operations should specifically provide for that exemption.
2. The Government of Kenya has confirmed in writing that no duty and ad valorem tax will be payable on official food aid consignments for direct distribution. The exemption applies to all food aid provided by multilateral and bilateral partners of the Government of Kenya. Taking into account the serious abuse on the part of some commercial importers, food aid consignments will be exempted from duty on a shipment-by-shipment basis.
3. Representatives of major food aid donors in Nairobi are satisfied with the clarification given by the Ministry of Finance.
4. In view of the official communication from the Government on the issue of tax exemption for all official food aid for direct distribution, there is no longer any need to include a provision in the plan of operations, as had originally been deemed necessary. In any case, it would not have served any useful purpose since the plan of operations only covers agreements between WFP and the Government on a specific project. In addition, other organizations handling food aid did not believe that this requirement was of benefit to them. It is now WFP's intention to finalize and sign the plan of operations for the school feeding project.

