برنامج
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Programme
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World
Food
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Programa
Mundial
de Alimentos

**Executive Board
Second Regular Session**

Rome, 12 - 15 May 1998

INFORMATION NOTE

UPDATE ON OUTSTANDING BALANCE OF COMMITMENTS

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1.   The following table updates the last Information Note on the outstanding balance of commitments (OBC) for ongoing development activities (document WFP/EB.1/98/INF/7):

<table>
<tr><td colspan="2" align="center">DEVELOPMENT PORTFOLIO: OBC ANALYSIS</td></tr>
<tr><td></td><td align="right">Thousand tons</td></tr>
<tr><td>a) Crude[1] OBC as at 31.12.1997</td><td align="center">2 286</td></tr>
<tr><td>b) Expected[2] deliveries in 1998</td><td align="center">- 800</td></tr>
<tr><td>c) New commitments approved since 1.1.1998</td><td align="center">56</td></tr>
<tr><td>d) Projects/Country Programmes submitted for approval at EB.2</td><td align="center">125</td></tr>
<tr><td>e) Potential for additional commitments in 1998</td><td align="center">333</td></tr>
<tr><td>f) Expected crude OBC at 31.12.1998</td><td align="center">2 000</td></tr>
<tr><td>g) Estimated adjustment for the delivery performance ratio (DPR)[3]</td><td align="center">200</td></tr>
<tr><td>h) Estimated adjusted balance as at 31.12.1998</td><td align="center">1 800</td></tr>
<tr><td>i) Target OBC as at 31.12.1998</td><td align="center">1 800</td></tr>
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[1] "Crude" OBC represents the total outstanding balance of commitments. When adjusted for the delivery performance ratio (DPR - defined in footnote 3), it becomes a "net" OBC.

[2] Corresponds to the estimated level of resources available for delivery in 1998, including carry-over resources of some 80,000 tons from previous years.

[3] An empirical adjustment factor defined as the ratio of final deliveries over total approved commitments. Globally, the DPR is currently estimated at 90 percent.

2.   To be in line with the target OBC, established at 1,800 thousand tons (i.e., 2.5 times the estimated availability of 720,000 tons as per 'WFP Budget 1998–1999' submitted at EB.3 1997), some 514 thousand tons could be approved in 1998 (total of c), d) and e) above).

3.   Of the Country Programmes approved or to be approved, 2 and ½ years of commitments have been included in the OBC, to be in line with the methodology used in setting the target OBC (see paragraph 2 above).