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Programa
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SUMMARY OF THE WORK OF THE THIRD REGULAR SESSION OF THE EXECUTIVE BOARD, 1997

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SUMMARY OF THE WORK OF THE MEETING

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MEASURES TO ENHANCE WFP'S PROGRAMMING IN THE POOREST COUNTRIES (1997/EB.3/1)

1. The Board reiterated the importance of the target of allocating at least 50 percent of WFP's development resources to least developed countries (LDCs) and at least 90 percent to low-income, food-deficit countries (LIFDCs). It was also noted that large numbers of people lived in pockets of poverty in countries other than LDCs/LIFDCs. The Board stressed that food aid is likely to be most effective in situations where recipient countries promote food security objectives.
2. WFP's engagement in building national capacity to effectively implement food assistance programmes was strongly supported. A more thorough analysis of expected counterpart inputs and costs will contribute to a better examination of capacity requirements and assist in the identification of suitable partners.
3. The Board stressed the importance of working in close partnership with other United Nations organizations, bilateral donors and NGOs. A policy paper on the framework for working with local organizations and NGOs scheduled for discussion by the Board at its Third Regular Session of 1998 will further explore the scope for effective partnerships.
4. The Board endorsed the concepts of making more use of food fund facilities, and supporting the maintenance and upkeep of basic public services and infrastructure with adequate attention to the need for eventual phasing out. This should be done on a trial basis and the results closely monitored.
5. The Secretariat indicated that in 1998 the allocation target for LDCs was 55 percent of WFP's development resources.

REACHING MOTHERS AND CHILDREN AT CRITICAL TIMES OF THEIR LIVES (1997/EB.3/2)

6. The Board noted that the paper was fully in line with WFP's strategic priorities.
7. Partnerships with other United Nations organizations, bilateral donors and NGOs are important in the programming and implementation of supplementary feeding for mothers and children. The Secretariat noted that the new United Nations Development Assistance Framework (UNDAF) process is expected to play a critical role in ensuring that WFP-supported supplementary feeding programmes are well linked to health, nutrition education and other relevant activities. The need for WFP's flexibility to provide a limited amount of non-food support was also noted.
8. Collaboration among United Nations organizations, bilateral donors and NGOs, and coordination with recipient governments will facilitate the identification and assessment of vulnerable regions and groups. Assessment of the needs of at-risk mothers and malnourished children and the appropriateness of WFP assistance for supplementary feeding will be an integral part of WFP's future country strategy analyses. Targeting of vulnerable mothers and children should take into account considerations of cost-effectiveness. Given limited resources, supplementary feeding interventions should be targeted primarily to mothers and children in LDCs.



9. The duration of WFP's assistance to supplementary feeding programmes will need to be carefully assessed. Exit strategies should be prepared based on indicators such as mortality rates, economic growth rates and regular assessments of the national capacity to gradually assume a higher share of financial and other support for the feeding programme.
10. Supplementary feeding interventions should be complemented by measures that increase overall household food security to the extent possible.
11. The Secretariat noted that the paper was consistent with the 1992 International Conference on Nutrition (ICN) and 1996 World Food Summit commitments to assure access of all people, at all times, to nutritionally adequate and safe food.
12. On the basis of the policy and operational principles set out in the document, WFP should prepare guidelines that elaborate key operational issues. These include: optimum use of fortified foods, local production of appropriate blended foods where feasible, measures to encourage breast-feeding, arrangements for measuring the effectiveness of the supplementary feeding component and feedback mechanisms that ensure learning from WFP's experience.

FOLLOW-UP TO THE WORLD FOOD SUMMIT PLAN OF ACTION (1997/EB.3/3)

13. The Board took note of the report on the follow-up to the World Food Summit Plan of Action (WFP/EB.3/97/3-C). The format for reporting WFP follow-up to the Plan of Action to the FAO Committee on World Food Security (CFS) for the period up to the end of 1997 was found to be appropriate.
14. The Board emphasized that WFP has an important role to play in the implementation of the Plan of Action, and highlighted the importance of collaboration between the three Rome-based United Nations organizations in this effort. It was noted that WFP could play this role successfully only if adequate resources were provided. The Secretariat would explore with FAO and IFAD the production of a joint paper on how working relationships between the three organizations might be improved.
15. The aspects of the Plan of Action that would receive priority attention by WFP include focusing on the poorest people in the neediest countries, addressing the nutritional problems of mothers and children, gender equity, and advocacy on food security for the hungry poor.

BIENNIAL BUDGET FOR 1998-99 (1997/EB.3/4)

16. The Executive Director presented to the Board the proposed budget for the biennial period 1998-99. She pointed out that the budget was: a) flexible and linked to the volume of operations—4.4 million tons, as projected in the Strategic and Financial Plan 1998-2001; b) the first WFP budget to be prepared after the implementation of the new Resource and Long-term Financing Policies; and c) presented in a harmonized format, in line with the budget format adopted by UNICEF, UNFPA and UNDP.
17. The Executive Director mentioned the measures taken to be cost-effective in order to present a reduced PSA budget for 1998-99: in value terms, the proposed budget (\$214.444m) amounted to about 87 percent of the budget from the 1996-97 biennium, with cost savings totalling \$29 million.



18. The Director of Finance gave a briefing on indirect support cost recovery rates and the use of interest income. He recalled that in the past the Secretariat had recommended that rates determined by the cost consultants be endorsed by the Board, while for the coming biennium, the Secretariat was proposing several sets of rates for the Board's consideration.
19. Several representatives welcomed the efforts made by the Secretariat to respond to requests for budgetary reductions, and proposed that the Budget be adopted with all the provisions of the proposal. Other representatives sought additional information on the following: a) the level and funding of the budget; b) use of interest income; c) level of indirect support cost recovery rates, particularly in relation to the increase for development; d) savings achieved so far, and the need to look for additional savings; e) the Financial Management Improvement Programme (FMIP); f) headquarters premises; g) use of the Operational Reserve; h) expenses for maintaining offices in donor countries; i) efforts to collect government contributions towards local operating costs; j) staffing by grades; k) post upgradings; and l) the future of the development programme as the focus of WFP continues to move towards emergency operations.
20. In responding to the questions raised by the Board, the Executive Director stated that the Secretariat was committed to a very diligent and in-depth effort to decrease the indirect support cost rates for development. The Secretariat was analysing reasons for the increase with a view to rationalizing the process of budgeting for the development programme. The Executive Director pointed out that the costs for operating a WFP office in Washington were relatively low because WFP intended to share premises with the existing FAO office. The Executive Director explained that WFP sought to raise its profile in Japan so that it could tap funds from the private sector. On the issue of staff grading, she pointed out that the cost of upgrading was minimal and that in comparison with other organizations, WFP was not "top-heavy". Concerning the headquarters move, the Executive Director explained that move costs were not included in the PSA budget and the estimated expenses to be incurred were likely to amount to \$6.5 million, and not \$10 million as initially thought. The Executive Director recalled that the Board had directed WFP to move from its current premises by the beginning of 1998. She further pointed out that in accordance with the Headquarters Agreement, the Host Government is obliged to meet the costs connected with the move. The Executive Director gave further information on the breakdown of the General Fund: internal transport, storage and handling (ITSH), use of interest rates, PSA per ton and country office expenditure.
21. The Director of Finance provided information on the implementation of FMIP and the related budget estimates. He explained that the budget estimate of \$18 million was a preliminary initial estimate made in 1994. Since then, a detailed strategic information systems plan was developed and the scope of FMIP has widened. FMIP now covers other areas and it is expected to take longer than three years to implement. Furthermore, a more detailed and refined estimation of costs was made. WFP provides reports to the Board on FMIP on a quarterly basis and holds donor briefings, as required. As for the use of PSA funding for FIMP, this was done at the request of the donors, who had suggested that WFP contribute some of its resources to FMIP. This was carried out through the approval of transfers from WFP's general resources.
22. The Executive Director provided further information on the following: a) percentage of budget and resources covering WFP's activities in Latin America; b) decentralization of common costs; c) organizational change; d) United Nations reform; e) offices in donor countries; f) the Government of Switzerland agreeing to cover the rental costs of WFP's office in Geneva; g) further cooperation efforts with NGOs; h) government cash



contributions; i) number of staff compared to other United Nations agencies; j) FMIP; and k) vulnerability analysis and mapping (VAM).

23. In response to the demand from some donors for more savings, the Executive Director reiterated that WFP has embarked on cost-saving measures in recent biennia. On the point of reducing even further the PSA budget, the Executive Director emphasized that WFP was assessing critical issues such as: whether it is a well run organization, carrying out its mandate effectively; efficient in how it operates; whether it provides food in a timely fashion to those in need; and monitors and reports well on food distribution; and whether WFP is responsive to donors' concerns.
24. In response to the Board's demand for a further reduction in the PSA, the Executive Director suggested that the Board consider approving a biennial budget amount of \$206 million, the reduction to be achieved by reclassifying expenditures from the PSA to direct support costs.
25. Representatives raised further questions on savings initiatives, the transfer of expenditure to direct support costs, mandatory cost increases and FMIP. Further information on these issues was provided by the Executive Director and the Director of Finance.
26. After further discussion on the budget, the Executive Director proposed a third revised PSA budget of \$205 million for 1998-99. To achieve this level in relation to the \$216.9 million sought for the biennium, WFP would look for ways to reduce the PSA budget by \$4.5 million and transfer \$7.4 million of projected expenditure to direct support costs. The level of the 1998-99 PSA budget was approved at \$205 million. Some representatives expressed concern that such a reduction should not compromise WFP's effectiveness.

REPORT OF THE OPEN-ENDED WORKING GROUP: REVISION OF WFP'S FINANCIAL REGULATIONS (1997/EB.3/5)

27. The Board had before it document WFP/EB.3/97/4-B: Report of the Open-ended Working Group on the Revision of WFP's Financial Regulations.
28. One representative suggested three amendments to the proposed Financial Regulations, as follows:
 - a) Financial Regulation 2.2: after "the General Regulations" add ", the General Rules".
 - b) Financial Regulation 8.2: add: "Country programmes, projects and other forms of assistance shall be initiated, approved and implemented in accordance with the General Regulations and General Rules, including in particular Articles III, Vii.7 and X.5 of the General Regulations.
 - c) Financial Regulation 9.1 bis (or 4.8) add: "WFP shall in particular seek to foster close working relations with FAO, with the aim of drawing on FAO's expertise in the area of food and agriculture, avoiding duplication, establishing common services and, where possible, integrating or coordinating field operations."
29. After discussion of these proposed amendments, and to avoid re-opening the issue, and following an opinion by the FAO Legal Adviser, the proposals were withdrawn. The withdrawal was conditional on the fact that the proposed amendments would be reproduced in the Board's Summary of Work (as above) where attention would be drawn in particular



to the third proposed amendment with its emphasis on close working relations with FAO in order to avoid duplication and promote better coordination.

30. One representative proposed that the crediting and utilization of interest income should be reviewed in the context of the planned review of the Resource and Long-term Financing Policies, and on the basis of this review, the Board may wish to consider a policy on this matter.
31. The Financial Regulations were adopted as proposed by the Working Group. The Board thanked the Chairman of the Working Group, the participants of the Working Group and the Secretariat for their work.

EVALUATION REPORTS (1997/EB.3/9)

32. **Relief and post-emergency operations in Angola: a joint WFP/NGO/IFRC evaluation (Angola 5602):** The Board considered the joint WFP/NGO/IFRC evaluation report on relief and post-emergency evaluations in Angola and, overall, endorsed the conclusions. Several representatives commended the joint efforts of WFP, NGOs and IFRC in this successful operation. WFP should keep NGOs informed on its strategies and available resources, in order to facilitate their programming of rehabilitation activities.
33. **Interim study on WFP's new capacities in responding to the Great Lakes crisis:** In considering the interim study on WFP's new capacities in responding to the Great Lakes Crisis, representatives commended the exceptional efforts made by WFP to cope with the crisis. Note was taken of WFP's innovative technologies and management systems which significantly contributed to fostering large-scale response to the crisis in a prompt manner, despite initial set-backs in the food pipeline. WFP was encouraged to play a more direct role in determining the number of refugees eligible for emergency food assistance.
34. **Programme for rehabilitation (Cambodia 5483):** The positive role of WFP assistance along the relief-rehabilitation-development continuum, with a dual strategy of relief and rehabilitation, was recognized. Special reference was made to potential benefits arising from close cooperation between WFP and other donors. It was pointed out that the participatory approach could be improved. It was further mentioned that more emphasis was to be given to WFP-supported infrastructure rehabilitation activities at the village level, as well as to sustainability. Regarding plans for future WFP assistance, the Secretariat informed the Board that, because of current circumstances, the planned Country Programme could not be pursued. For the time being, the PRO modality would have to be continued.
35. **Rehabilitation and upgrading of sea dikes (Viet Nam 4617):** While recognizing the overall positive performance of the project, several representatives stressed the need for greater cooperation between WFP, other United Nations organizations and other partners. On the need for analysing more in depth the justification of food aid, the Secretariat assured the Board that the comparative advantage of food aid was an important issue which is being addressed, particularly at the appraisal stage, and especially in the Asia region. The Secretariat also acknowledged problems connected with the commodity exchange of wheat for rice; measures taken in this regard had also benefited other WFP-assisted projects in Viet Nam.
36. **Lessons learned from food aid contributions to mother and child health (MCH): how to address critical food needs of women and children:** The Board expressed



support for WFP assistance to vulnerable groups. In the case of project Pakistan 2237, attention was drawn to the need for achieving a balance between the income transfer and the nutritional value of WFP food rations for vulnerable groups. It was stressed that in emergency situations there was a need to maintain a critical level of food inputs and services, given the stress of the populations concerned.

COUNTRY STRATEGY OUTLINE - MALI (1997/EB.3/10)

37. The Board supported the thrust of the CSO for Mali (WFP/EB.3/97/6/Add.2), and noted with satisfaction that the strategy contained therein supports the Government's priorities. Several representatives pointed out that although Mali is close to food self-sufficiency at the national level, some northern areas are regularly food-deficit and require assistance. This assistance should aim to increase food production through food-for-work activities, particularly in water management.
38. Representatives suggested that in preparing the Country Programme attention should be given to improving food security through increased agricultural production and the building up of food stocks at the local and regional levels, in addition to the already existing stocks at the national level. Representatives stressed the importance of targeting assistance to the most chronically food-insecure groups and areas in the country and collaborating with other bilateral/multilateral organizations and NGOs in project implementation.

COUNTRY STRATEGY OUTLINE - NIGER (1997/EB.3/11)

39. While endorsing the CSO for Niger (WFP/EB.3/97/6/Add.1), the Board advised that the Country Programme should give indications on specific ways to strengthen project management capacities of WFP staff, government counterparts and implementing partners. It noted that the "Keita" rural development project is highly successful, owing to the excellent collaboration between Italy, FAO and WFP. Other donor countries have come forward to initiate similar projects in other regions. It was pointed out that technically competent partners will also have to be identified in the sectors of health and education, and that the monitoring and evaluation systems need to function adequately. In response to the concerns expressed about prices paid by WFP for local purchases of cereals, the Board was informed that a bidding procedure has always been followed and the lowest bid accepted. Representatives suggested that in preparing a Country Programme activities in rural development and desertification control should be pursued, and that lessons learned from previous difficulties in project implementation should be taken into account.

COUNTRY PROGRAMME - EGYPT (1997/EB.3/12)

40. The Board welcomed the Egypt Country Programme and noted its emphasis on targeting women and children in areas of poverty and extreme poverty in Egypt, albeit on a smaller scale than in the past. Two representatives expressed reservations on the appropriateness of food aid in Egypt. The Board noted that the Country Programme is based on a participatory approach and appreciated WFP's work in designing monitoring and evaluation indicators for the Country Programme. It stressed the importance of tracking and analysing these



indicators on an ongoing basis. The Secretariat explained that co-financing foreseen for various activities, including government funding, was firmly committed and that food aid remained appropriate, given per capita income level and food deficit status of Egypt.. The Board expressed interest in the pilot intervention in urban areas, since poverty in the cities is a growing phenomenon.

COUNTRY PROGRAMME - GHANA (1997/EB.3/13)

41. In discussing the Country Programme for Ghana (WFP/EB.3/97/7/Add.4), it was noted that the Country Programme should focus on a smaller number of activities in order to increase its positive impact.
42. Representatives noted with appreciation that the Country Programme seeks to focus on women and girls, and on the poorest and most disadvantaged areas of the country.
43. The Board appreciated the participatory approach envisaged in the implementation of the Country Programme, and encouraged local purchase of food commodities to the extent possible.

COUNTRY PROGRAMME - HAITI (1997/EB.3/14)

44. The Country Programme for Haiti (WFP/EB.3/97/7/Add.3), was well received by the Board. It urged the Secretariat to give adequate attention to the country's limited absorptive capacity and to the need to concentrate on capacity-building. Further exploration of food local purchases as well as the possibilities to provide cash in addition to food were suggested. Some representatives suggested exploring local purchases of food items as well as the possibility of providing cash in addition to food.

COUNTRY PROGRAMME - MAURITANIA (1997/EB.3/15)

45. The Board welcomed the Country Programme for Mauritania (WFP/EB.3/97/7/Add.1), and its two main areas of thrust in rural development and human resource development. Its human resource component, focusing on mothers and young girls, was particularly supported. The Board endorsed geographical targeting in the eight poorest regions of Mauritania. Attention was, however, drawn to the necessity for flexibility to meet the needs of targeted populations that may have to move to neighbouring areas if affected by drought. Representatives also recommended a rigorous monitoring and evaluation system. The need to plan the phasing-out of the school-feeding component as soon as local circumstances permit was also mentioned.

COUNTRY PROGRAMME - MOZAMBIQUE (1997/EB.3/16)

46. The Board approved the Country Programme for Mozambique (WFP/EB.3/97/7/Add.7). It endorsed the programme's plan of action to respond to the needs of Mozambique, which is still recovering from a seven-year civil war. Representatives complimented the emergency assistance component of the programme and noted that WFP's assistance would



play a major role in the emergency-development continuum. It was suggested that more emphasis should be placed on local production. One representative commended WFP's contribution to the development of markets through the local purchase of cereals, but expressed a word of caution on the danger of distorting markets through subsidized internal transport or imports. In addressing this concern, the Secretariat assured the Board that WFP is playing a role in competitive pricing through tender which has not interfered with pricing patterns in Mozambique.

COUNTRY PROGRAMME - YEMEN (1997/EB.3/17)

47. The Secretariat introduced the Country Programme Document for Yemen (WFP/EB.3/97/7/Add.6) which did not elicit comments except for expressions of support.

COUNTRY PROGRAMME - ZAMBIA (1997/EB.3/18)

48. While supporting the Zambia Country Programme (WFP/EB.3/97/7/Add.5), representatives expressed concern with Zambia's fragile food situation, the high dependence on maize and the high level of poverty. They commended the efforts deployed by the Government and its commitment towards food security. The Secretariat was invited to examine the possibilities for increasing the production of drought-resistant crops such as sorghum and millet. It was recommended that more attention be paid to the formulation of a baseline strategy linked to market development in Zambia, as well as to the issue of household food security and its link to the gender dimension of poverty.

DEVELOPMENT PROJECT FOR EXECUTIVE BOARD APPROVAL - GAZA/WEST BANK 5474 (1997/EB.3/19)

49. The Board unanimously voiced its support for the project (document WFP/EB.3/97/8-A/Add.2), noting that WFP's work in Gaza and West Bank was squarely within the overall United Nations commitment to reconstruction in the Palestinian Territories. Discussion focused on the extent to which the WFP project is like an emergency operation, given the extremely difficult conditions faced by Palestinians during the transition period to a final peace settlement. Representatives agreed that, under the difficult conditions now prevailing in the Palestinian Territories, WFP support to social safety nets was especially appropriate, and noted with satisfaction that the women themselves will manage the food aid. Nevertheless, the Board advised the Secretariat to monitor the effects of its operations carefully and it recommended that WFP make efforts to integrate the existing NGO network into the project. It was also suggested that a visit by representatives to the project activities might give them a greater understanding of the overall situation in the Palestinian Territories. Thanks were expressed to the Minister for Social Affairs for the presentation.



**DEVELOPMENT PROJECT FOR EXECUTIVE BOARD APPROVAL - HONDURAS
5691 (1997/EB.3/20)**

50. The Board expressed support for project Honduras 5691 - Health and community development (WFP/EB.3/97/8-A/Add.1).

**DEVELOPMENT PROJECT FOR EXECUTIVE BOARD APPROVAL - NEPAL
3718.01 (1997/EB.3/21)**

51. The Board gave its support to project Nepal 3718.01 - Assistance to primary schools (WFP/EB.3/97/8-A/Add.3). It emphasized the need for a public information campaign actively promoting the enrolment of girls in primary schools.

**PROTRACTED REFUGEE AND DISPLACED PERSON PROJECT FOR
EXECUTIVE BOARD APPROVAL - LIBERIA REGIONAL 4604.06
(1997/EB.3/22)**

52. The Board supported project Liberia Regional 4604.06 - Targeted food assistance for resettlement and repatriation of internally displaced persons and returning refugees in Liberia and for Liberian refugees in Guinea, Côte d'Ivoire and Ghana (WFP/EB.3/97/8-B/Add.1). The strategies defined in previous joint missions involving WFP, UNHCR, NGOs and major donors participating in the relief operations in Liberia and in the countries of asylum were endorsed by the Board. It was stressed that food aid should be of adequate scope and duration, available in sufficient quantities. The modalities of distribution should be flexible and periodically adjusted in the light of changing situations. Some representatives noted that regardless of its scale, the PRO did not reach all the Internally Displaced Populations in Liberia, nor all the refugee groups in the region.
53. Representatives noted the need to support infrastructural rehabilitation and to ensure that adequate human and financial resources in addition to food be made available by the donor community. Effective monitoring of beneficiaries, vulnerable groups and of the food management would be essential to ensure that all those in need were reached and that duplications were kept to a minimum. Periodic joint assessment missions during the period of the PRO were recommended, with a view to adjusting the operations to changing circumstances.

**PROTRACTED REFUGEE AND DISPLACED PERSON PROJECT FOR
EXECUTIVE BOARD APPROVAL - NEPAL 5324.02 (1997/EB.3/24)**

54. In discussing project Nepal 5324.02 - Food assistance to Bhutanese refugees in Nepal (WFP/EB.3/97/8-B/Add.2), representatives commended WFP for running an excellent, cost-effective programme for Bhutanese refugees in Nepal. The willingness of the Government of Nepal to make a cash contribution for local food procurement was also commended. The Board was informed that so far no progress has been made in the talks between the Governments of Nepal and Bhutan on finding a durable solution to the refugee problem. The policy of local purchase of commodities was commended and should be



continued. Representatives also recommended greater participation of women in food management.

WFP ASSISTANCE TO SAHAROU REFUGEES (1997/EB.3/23)

55. In referring to WFP assistance to Saharoui refugees, the representative of Algeria noted with regret that the new project approved by the Executive Director seemed to contain modified data on vulnerable refugees and requested WFP to pursue its assistance on the basis of universally recognized figures.
56. The Secretariat confirmed that WFP continues to consider 80,000 as the number of Saharoui refugees in need of assistance. Furthermore, it pointed out that, in view of assistance given or pledged by bilateral or multilateral donors, WFP would target its assistance to the most vulnerable groups or individuals. It added that if assistance from other donors should be insufficient, WFP would immediately increase food deliveries as necessary. In this connection, the Secretariat stressed the need to have observers in Tindouf to coordinate its food assistance.
57. The Board took note of the Secretariat's assurances and requested that they be formally included in the Summary of the Work of the Third Regular Session.

DECLARATION OF THE PRESIDENT OF THE BOARD

58. The President made the following declaration to the Board:

“Under ‘Other Business’, I would like to bring to the Board’s attention that the Representative of Italy had planned to ask for the floor. After discussion, we mutually agreed that I, in my capacity of President, would raise the following issue, which requires neither a decision nor a recommendation today, but which calls for further analysis.

The issue is how we could better associate to the Board’s work other delegations of WFP Member States, especially when these wish to contribute directly to resolving a difficult issue or a topic of general interest.

The current framework of the Board’s rules does not provide all the answers. We must give some thought to these issues in the spirit of consensus that characterizes our body. This is what I believe and what I declare to the Board during this last session of the year.

In concluding this declaration, I confirm that the above issue is not open to discussion.

I thank you for your understanding.”

