

برنامج  
الأغذية  
العالمي



Programme  
Alimentaire  
Mondial

World  
Food  
Programme

Programa  
Mundial  
de Alimentos

**Executive Board  
Annual Session**

**Rome, 4–8 June 2007**

# RESOURCE, FINANCIAL AND BUDGETARY MATTERS

Agenda item 6

*For information\**

# E

Distribution: GENERAL  
**WFP/EB.A/2007/6-G/1**  
27 April 2007  
ORIGINAL: ENGLISH

## REPORT OF THE EXECUTIVE DIRECTOR ON THE UTILIZATION OF CONTRIBUTIONS AND WAIVERS OF COSTS (GENERAL RULES XII.4 AND XIII.4)(g)

\* 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.

This document is printed in a limited number of copies. Executive Board documents are available on WFP's WEB site (<http://www.wfp.org/eb>).

## 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.

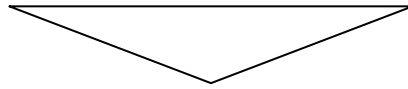
Deputy Chief Financial Officer and      Mr E. Whiting              tel.: 066513-2701  
Director, CFOA\*:

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms C. Panlilio, Administrative Assistant, Conference Servicing Unit (tel.: 066513-2645).

\* Financial Accounting Office



## DRAFT DECISION\*



The Board takes note of “Report of the Executive Director on the Utilization of Contributions and Waivers of Costs (General Rules XII.4 and XIII.4)(g)” (WFP/EB.A/2007/6-G/1).

---

\* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document (document WFP/EB.A/2007/15) issued at the end of the session.



## INTRODUCTION

- Information is provided to the Board in accordance with General Rules XII.4 and XIII.4 (g) 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 (e); and (iii) waivers of indirect support costs (ISC) for contributions in-kind to cover direct support costs (DSC) – General Rule XIII.4 (f).

### Use of Unrestricted Cash Resources to Purchase Commodities: General Rule XII.4

- In this report, multilateral contributions of cash for the development programme category have been considered unrestricted cash resources, even though they may be used in some instances to purchase commodities in the donor country. These resources have been used to meet annual requested or allocated commitments under development projects.
- In 2006, US\$70.7 million of unrestricted cash was available, compared with US\$94.7 million in 2005. Of this, US\$43.5 million or 62 percent was used to purchase commodities from developing countries, compared with US\$40.2 million or 42 percent in 2005; US\$27.2 million or 38 percent was used for purchases from developed countries – US\$54.5 million or 58 percent in 2005. Details are shown in Table 1.
- The Annual Performance Report of the Executive Director includes further information on purchases of commodities from developing countries from all cash resources and under all programme categories.

<b>TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2006 (US\$)</b>		
<b>Purchased from:</b>	<b>Developing countries</b>	<b>Developed countries</b>
Argentina	1 522 922	
Australia		131 928
Bangladesh	71 627	
Belgium		1 810 537
Belize	64 135	
Benin	1 129 921	
Bhutan	411 659	
Bolivia	1 236 872	
Brazil	68 012	
Bulgaria		179 296
Burkina Faso	1 346 777	
Cambodia	191 084	
Cameroon	228 646	
Canada		9 654 825
China	1 302 039	



<b>TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2006 (US\$)</b>		
<b>Purchased from:</b>	<b>Developing countries</b>	<b>Developed countries</b>
Colombia	74 850	
Cuba	1 284 801	
Czech Republic		67 540
Denmark		7 733 768
Egypt	845 109	
El Salvador	87 516	
Ethiopia	1 927 553	
France		199 018
Germany		249 677
Ghana	327 526	
Guatemala	210 320	
Honduras	178 622	
India	7 161 507	
Indonesia	47 497	
Italy		1 727 154
Japan		792 152
Kenya	1 248 715	
Lao People's Democratic Republic	88 852	
Lesotho	558 941	
Malawi	1 845 084	
Malaysia	2 127 253	
Mali	939 956	
Mexico	437 694	
Morocco	170 838	
Mozambique	520 688	
Namibia	3 192	
Nepal	3 357 412	
Netherlands		571 247
Pakistan	3 694 144	
Peru	59 874	
Russian Federation		700 265
Rwanda	65 850	
Senegal	119 049	
Singapore		
South Africa	2 514 638	
Sri Lanka	114 439	
Tanzania, United Republic of	1 260 270	
Thailand	525 638	



<b>TABLE 1: USE OF UNRESTRICTED CASH RESOURCES FOR THE PURCHASE OF COMMODITIES UNDER GENERAL RULE XII.4 IN 2006 (US\$)</b>		
<b>Purchased from:</b>	<b>Developing countries</b>	<b>Developed countries</b>
Turkey		1 886 200
Uganda	1 773 870	
Ukraine		1 483 778
United States		32 400
Viet Nam	581 606	
Yemen	126 089	
Zambia	1 628 495	
<b>Total 2006</b>	<b>43 481 582</b>	<b>27 219 783</b>
<b>Grand total 2006</b>		<b>70 701 365</b>
Percentage	62	38
<b>Total 2005</b>	<b>40 193 509</b>	<b>54 548 512</b>
<b>Grand total 2005</b>		<b>94 742 021</b>
Percentage 2005	42	58

### **Contributions for Commodities or Services: General Rule XIII.4 (e)**

5. In 2006, the value of contributions of commodities or services only received from governments of developing countries, countries with economies in transition and other non-traditional donors under General Rule XIII.4 (e) was US\$38,189,431, compared with US\$52,780,019 in 2005. These contributions were supported by cash contributions of US\$19,524,967 from other donors and of US\$926,324 from WFP's resources, compared with US\$38,702,438 and US\$3,506,874 in 2005. US\$626,593 of ISC was waived on contributions, compared with US\$1,137,845 in 2005, as shown in Table 2.



<b>TABLE 2: CONTRIBUTIONS MADE UNDER GENERAL RULE XIII.4 (e) IN 2006 (US\$)</b>				
<b>Donor</b>	<b>Value</b>	<b>Other costs covered by</b>		<b>ISC waived</b>
		<b>Other donor</b>	<b>WFP*</b>	
Azerbaijan	1 084 900		232 239	92 200
Azerbaijan	1 000 000	311 281		91 790
Cuba	865 000		579 126	60 550
Egypt	1 250		1 583	88
Egypt	29 900		41 014	2 093
Egypt	69 444		72 363	4 861
India	2 287 312			160 112
Kenya	116 400	126 421		
Kenya	486 400	519 265		
Kenya	6 000 000	6 516 900		
Kenya	7 200 000	6 516 861		
Kenya	3 691 500	2 107 131		
Kenya	2 180 000	890 000		214 900
Kenya	1 500 000	1 305 660		
Lebanon	26 000	11 116		
Malawi	1 381 467	725 006		
Malawi	448 533	235 394		
Pakistan	9 338 000			
Swaziland	483 325	259 925		
<b>Total 2006</b>	<b>38 189 431</b>	<b>19 524 967</b>	<b>926 324</b>	<b>626 593</b>
<b>Total 2005</b>	<b>52 780 019</b>	<b>38 702 438</b>	<b>3 506 874</b>	<b>1 137 845</b>

\*The Emerging Donor Matching Fund (EDMF) provided finance for the associated costs of these contributions.



### Waivers of ISC for In-Kind DSC: General Rule XIII.4 (f)

6. For 2006, on US\$9,724,821 of contributions made in kind for direct support costs (DSC), the total value of waivers of ISC was US\$680,737, compared with US\$21,987,331 of contributions and US\$1,539,113 of waivers in 2005. Table 3 provides the details by donor, recipient country, value and ISC waiver.

<b>TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND TO COVER DSC UNDER GENERAL RULES XIII.4 (f) IN 2006 (in US\$)</b>				
<b>Donor</b>	<b>Recipient country</b>	<b>Contribution</b>	<b>Value</b>	<b>ISC waived</b>
Denmark	Afghanistan	In-kind staff	44 145	3 090
Denmark	Headquarters	In-kind staff	170 671	11 947
Denmark	Pakistan	In-kind staff	219 132	15 339
Denmark	Sri Lanka	In-kind staff	48 958	3 427
Denmark	Sudan	In-kind staff	86 118	6 028
Denmark	West Africa region	In-kind staff	84 663	5 926
Iceland	West Africa region	In-kind staff	54 602	3 822
Norway	Afghanistan	In-kind staff	130 671	9 147
Norway	Asia region	In-kind staff	7 523	527
Norway	Benin	In-kind staff	90 450	6 332
Norway	Chad	In-kind staff	31 746	2 222
Norway	Congo, Democratic Republic	In-kind staff	107 700	7 539
Norway	Headquarters	In-kind staff	144 947	10 146
Norway	Lebanon	In-kind services	495 000	34 650
Norway	Nepal	In-kind staff	165 413	11 579
Norway	Pakistan	In-kind staff	143 152	10 021
Norway	Sudan	In-kind staff	250 390	17 527
Norway	Uganda	In-kind staff	99 864	6 990
Norway	West Africa region	In-kind staff	226 995	15 890
Portugal	Lebanon	In-kind services	256 410	17 949
Private donor – RedR Australia	Asia region	In-kind staff	466 137	32 630
Private donor – RedR Australia	Bangladesh	In-kind staff	4 121	288
Private donor – RedR Australia	Bhutan	In-kind staff	21 752	1 523
Private donor – RedR Australia	Cambodia	In-kind staff	52 168	3 652
Private donor – RedR Australia	Eastern and Central Africa region	In-kind staff	55 750	3 903
Private donor – RedR Australia	India	In-kind staff	25 710	1 800
Private donor –	Lao People's	In-kind staff	62 423	4 370





**TABLE 3: WAIVERS OF ISC IN RESPECT OF CONTRIBUTIONS IN-KIND  
TO COVER DSC UNDER GENERAL RULES XIII.4 (f) IN 2006 (in US\$)**

Donor	Recipient country	Contribution	Value	ISC waived
RedR Australia	Democratic Republic			
Private donor – RedR Australia	Lebanon	In-kind staff	102 120	7 148
Private donor – RedR Australia	Myanmar	In-kind staff	59 352	4 155
Private donor – RedR Australia	Pakistan	In-kind staff	65 846	4 609
Private donor – RedR Australia	Sri Lanka	In-kind staff	19 551	1 369
Private donor – RedR Australia	Sudan	In-kind staff	28 978	2 028
Sweden	Asia region	In-kind staff	17 258	1 208
Sweden	Headquarters	In-kind staff	19 845	1 389
Sweden	Lebanon	In-kind services	2 604 101	182 287
Sweden	Liberia	In-kind staff	86 504	6 055
Sweden	Pakistan	In-kind staff	257 002	17 990
Sweden	Sudan	In-kind staff	804 999	56 350
Sweden	West Africa region	In-kind staff	330 677	23 147
Switzerland	Afghanistan	In-kind staff	120 213	8 415
Switzerland	Angola	In-kind staff	210 600	14 742
Switzerland	Cameroon	In-kind staff	93 345	6 534
Switzerland	Congo, Democratic Republic	In-kind staff	63 871	4 471
Switzerland	Haiti	In-kind staff	80 010	5 601
Switzerland	Pakistan	In-kind staff	36 135	2 529
Switzerland	Sri Lanka	In-kind staff	7 448	521
Switzerland	Sudan	In-kind staff	418 461	29 292
Switzerland	West Africa region	In-kind staff	561 678	39 317
Switzerland	WFP	In-kind staff	49 095	3 437
United Kingdom	Pakistan	In-kind staff	141 130	9 879
<b>Total 2006</b>			<b>9 724 821</b>	<b>680 737</b>
<b>Total 2005</b>			<b>21 987 331</b>	<b>1 539 113</b>