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Agenda Item 6

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WFP PLEDGING TARGET: 2007–2008



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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for approval.

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.

Director, FDD*:

Ms V. Sequeira

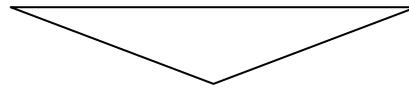
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* Donor Relations Division



DRAFT DECISION*



The Board, having considered the recommendations of the Executive Director in document WFP/EB.A/2006/6-B:

- i) approves a pledging target of US\$6.74 billion for 2007–2008, determined using the needs-based approach on which the current WFP Biennial Management Plan is based; and
- ii) recommends to ECOSOC that the next Triennial Comprehensive Policy Review should consider recommending to the General Assembly that Pledging Conferences should be discontinued because they no longer have a significant value in resource mobilization for WFP.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations (document WFP/EB.A/2006/16) issued at the end of the session.



BACKGROUND

1. In approving the 2005–2006 pledging target, the Executive Board:
 - i) recalled a 2000 decision that “Pledging Conferences have outlived their usefulness and should not be convened” and requested that this decision be conveyed to the General Assembly;
 - ii) recognized that the United Nations General Assembly is responsible for convening Pledging Conferences and that the General Assembly had asked the Secretary-General to submit a “report presenting alternative options to the current modality of the annual United Nations Pledging Conference for Development Activities including a regular pledging event, taking into account the funding sessions convened under the multi-year funding frameworks, the needs of other United Nations system agencies, appropriate time and options to enhance public support for the United Nations operational activities for development...”;¹ and
 - iii) recognized that until such time as the General Assembly decides to cease convening Pledging Conferences, WFP is required to set a pledging target and participate in the conference.
2. The 2002 Report of the Secretary General on pledging mechanisms to fund operational activities for development of the United Nations system² indicated (i) that the Pledging Conference has not met the original expectations, (ii) its timing is incompatible with the budgetary cycles of major donors and (iii) that “multi-year financial frameworks and the reformulated resource mobilization strategy for WFP... cast further doubt on the potential usefulness of the annual Pledging Conference”.
3. In 2004, the Secretary-General submitted a report on the Triennial Comprehensive Policy Review of the operational activities for development of the United Nations system³ indicating that (i) the United Nations Pledging Conference seems to have outlived its validity and utility, (ii) its format is outdated and (iii) the total resources raised through the pledging conference before 1999 accounted for between 20 percent and 30 percent of the total funding, but that for 2000 and 2001 the proportion further declined to 0.71 percent and 0.9 percent respectively. The report went on to note that the Pledging Conference is no longer capable of galvanizing political support from major donors.
4. The 2002 and 2004 reports also noted a differing view, that the Pledging Conference is an opportunity to acknowledge the contributions from developing countries.
5. In December 2004, the General Assembly requested that the Secretary General, in consultation with Member States, “explore various funding options for increasing financing for operational activities and to examine ways to enhance the predictability, long-term stability, reliability and adequacy of funding for the operational activities for development of the United Nations system, including through the identification of possible

¹ United Nations General Assembly A/RES/56/201, 21 December 2001.

² Report of the United Nations Secretary-General to the Economic and Social Council A/57/332, 21 August 2002.

³ Report of the United Nations Secretary-General A/59/85-E/2004/68, 28 May 2004.



new funding sources, as a follow-up to his report while preserving the advantages of the current funding modalities”⁴.

DERIVATION OF THE PLEDGING TARGET

6. The preparation of WFP’s Management Plan for 2006–2007 adopted a needs-based approach based on approved programmes and expected extensions of existing operations. Projections of programme needs were developed for the full 2006–2009 Strategic Plan period. On the basis of these projections, a 2006–2007 budget of US\$6.35 billion was proposed and approved by the Board at its November 2005 session. The projected needs for 2007–2008 make up the proposed pledging target of US\$6.74 billion, determined using the needs-based approach on which the current WFP Management Plan is based. It should be noted that this figure does not provide for unexpected requirements for emergency operations.

RECOMMENDATION

7. A 2007–2008 pledging target of US\$6.74 billion is recommended for the Board's approval.
8. The Board is asked to recommend to the Economic and Social Council of the United Nations (ECOSOC) that the next Triennial Comprehensive Policy Review should consider discontinuing the Pledging Conferences because they no longer have a significant value in resource mobilization for WFP.

⁴ Resolution adopted by the General Assembly, A/RES/59/250, 17 December 2004.