



联合国
粮食及
农业组织

Food and Agriculture
Organization of the
United Nations

Organisation des Nations
Unies pour l'alimentation
et l'agriculture

Продовольственная и
сельскохозяйственная организация
Объединенных Наций

Organización de las
Naciones Unidas para la
Alimentación y la Agricultura

منظمة
الأغذية والزراعة
للأمم المتحدة

FINANCE COMMITTEE

Hundred and Fifty-seventh Session

Rome, 9 - 13 March 2015

Financial Position of the Organization

Queries on the substantive content of this document may be addressed to:

Mr Aiman Hija

Director, Finance Division and Treasurer

Tel: +3906 570 54676

*This document can be accessed using the Quick Response Code on this page;
a FAO initiative to minimize its environmental impact and promote greener communications.
Other documents can be consulted at www.fao.org*



MM801E

EXECUTIVE SUMMARY

- The Secretariat is in the process of preparing the first set of IPSAS compliant financial statements for the year ending 31 December 2014 and which will be presented to the Finance Committee at its autumn session in 2015. This document presents an update to the Finance Committee on the financial position of the Organization as at 30 November 2014.
- **Regular Programme Liquidity Position.** As at 30 November 2014, the balance of Regular Programme cash, cash equivalents and short term deposits amounted to USD 95.8 million (USD 102.1 million at 31 December 2013).
- **Staff Related Liabilities.** The total liability of the four plans as at 30 November 2014 was USD 1,245.4 million of which USD 789.1 million was unfunded (After Service Medical Coverage accounted for USD 725.3 million of the unfunded liability, whilst the Terminal Payments Fund accounted for the remaining unfunded portion of USD 63.8 million). The underfunding of the After Service Medical Coverage (ASMC) liability continues to be a cause of major structural deficit on the General Fund.
- **Available-for-sale Investments.** The value of long term investments at 30 November 2014 amounted to USD 449.2 million (USD 431.6 million at 31 December 2013) which represents both a recovery in market value as well as additional funding of USD 6.4 million. The increase in market value was generated by positive movements in value of both equity and bond market investments. The EUR/USD foreign exchange rate impacted strongly the investment performance over the eleven months ended 30 November 2014.
- **General and Related Fund deficit.** The General Fund deficit decreased from USD 875.4 million as at 31 December 2013 to USD 812.4 million as at 30 November 2014 due to the recognition of a full year of 2014 Member Nations assessments compared to eleven months of expenditure in 2014. The deficit as at 31 December 2014 is forecasted to be approximately USD 900 million.
- **Financial and Budgetary Information for the Second International Conference on Nutrition (ICN2).** As requested by the Finance Committee at its 156th session, information on the financial and budgetary aspects of ICN2 (Rome, 19 - 21 November 2014) is presented in Appendix I to this document.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Committee is invited to note that while the liquidity position of the Organization at 30 November 2014 is in line with the cash position as at 31 December 2013, significant receipts were due in December 2014. These will increase the closing liquidity position for 2014 by approximately USD 72 million;
- The Committee is invited to encourage all Member Nations to make timely and full payment of assessed contributions;
- The Committee is also invited to take note that the decrease in the deficit of the Organization to USD 812.4m as at 30 November 2014 from USD 875.4 million as at 31 December 2013 reflected the fact that only 11 months of expenditures had been incurred against a full year of assessed contributions and that it was forecast that by 31 December 2014, the General Fund deficit will reach approximately USD 900 million due principally to the lack of funding for staff related liabilities;
- The Finance Committee is invited to note the financial and budgetary information on the Second International Conference on Nutrition presented in Appendix I.

Draft Advice

The Committee:

- **urged all Member Nations to make timely and full payment of assessed contributions to ensure that FAO continued to meet the operating cash requirements for the Programme of Work;**
- **noted that the General Fund deficit was forecasted to increase to USD 900 million as at 31 December 2014 compared to USD 875.4 million as at 31 December 2013, and that the deficit was primarily due to the Organization's lack of funding for staff related liabilities; and**
- **took note of the information provided on the financial and budgetary aspects of the Second International Conference on Nutrition.**

Introduction and Contents

1. The Report on the Financial Position of the Organization presents an overview of the unaudited results as at and for the eleven months ended 30 November 2014. The report is organized as follows:

- Financial Results for the eleven months ended 30 November 2014:
 - i) Statement of Assets, Liabilities, Reserves and Fund Balances as at 30 November 2014 presented by source of funds and including comparative balances as at 31 December 2013- Table 1.

 - ii) Statement of Income and Expenditure and Changes in Reserves and Fund Balances for the eleven months ended 30 November 2014 presented by source of funds and including comparative balances for the eleven months ended 30 November 2012 - Table 2

- Summary Comment on Financial Results for the eleven months ended 30 November 2014

- Cash Flow Forecast for 2014 to 31 December 2014

Table 1

STATEMENT OF ASSETS, LIABILITIES, RESERVES and FUND BALANCES
As at 30 November 2014
(USD 000)

	Funds		UNAUDITED	AUDITED
	General and Related	Trust and UNDP	30 November 2014	31 December 2013
			Total	
ASSETS				
Cash and Cash Equivalents	95,805	307,119	402,924	662,462
Investments - Held for Trading	-	640,173	640,173	357,326
Contributions Receivable from Member Nations and UNDP	173,814	11,201	185,015	115,081
less: Provision for Delays of Contributions	(12,207)	(7,661)	(19,868)	(19,741)
Accounts Receivable	55,248	-	55,248	63,643
Investments - Available for Sale	449,201	-	449,201	431,585
TOTAL ASSETS	761,861	950,832	1,712,693	1,610,356
LIABILITIES				
Contributions Received in Advance	45	720,854	720,899	729,602
Unliquidated Obligations	30,052	192,251	222,303	237,708
Accounts Payable	72,035	-	72,035	68,766
Deferred Income	96,395	-	96,395	75,916
Staff Related Schemes	1,245,441	-	1,245,441	1,213,181
TOTAL LIABILITIES	1,443,968	913,105	2,357,073	2,325,173
RESERVES AND FUND BALANCES				
Working Capital Fund	25,745	-	25,745	25,745
Special Reserve Account	19,093	-	19,093	17,558
Capital Expenditure Account	19,588	-	19,588	11,132
Security Expenditure Account	11,089	-	11,089	8,543
Special Fund for Emergency and Rehabilitation Activities	-	37,725	37,725	38,598
Unrealised Gains / (Losses) on Investments	41,322	-	41,322	45,493
Actuarial (Gains)/ Losses	13,479	-	13,479	13,479
Fund Balances (deficit) , End of Period	(812,423)	2	(812,421)	(875,365)
TOTAL RESERVES AND FUND BALANCES	(682,107)	37,727	(644,380)	(714,817)
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	761,861	950,832	1,712,693	1,610,356

Table 2

INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
for the eleven months ended 30 November 2014
(USD 000)

	Funds		UNAUDITED Total	
	General and Related	Trust and UNDP	30 November 2014	30 November 2012
INCOME:				
Assessment on Member Nations	522,495	-	522,495	494,304
Voluntary Contributions	54,795	645,717	700,512	612,722
Funds Received Under Inter-Organizational Arrangements	224.0	2,437	2,661	2,624
Jointly Financed Activities	14,432	-	14,432	12,568
Miscellaneous	1,990	230	2,220	2,531
Return on Investments - Long-Term	16,334	-	16,334	7,745
Net Other Sundry Income	8,093	-	8,093	7,311
(Loss) / Gain on Exchange Differences	(7,914)	-	(7,914)	(3,688)
TOTAL INCOME	610,449	648,384	1,258,833	1,136,116
EXPENDITURE:				
Regular Programme	468,826	-	468,826	463,899
Projects	-	648,154	648,154	563,402
TOTAL EXPENDITURE	468,826	648,154	1,116,980	1,027,304
EXCESS OF INCOME OVER EXPENDITURE	141,623	230	141,853	108,815
Actuarial Gains or Losses	-	-	-	(12,100)
Interest Cost of Staff Related Liabilities	(45,512)	-	(45,512)	(44,576)
Provision for Contributions Receivable and Other Assets	(153)	-	(153)	102
Deferred Income	(20,479)	-	(20,479)	(14,149)
Net Movement in Capital Expenditure Account	(8,456)	-	(8,456)	6,833
Net Movement in Utilisation of Security Expenditure Account	(2,546)	-	(2,546)	(28)
NET EXCESS / (SHORTFALL) OF INCOME OVER EXPENDITURE	64,477	230	64,708	44,899
Transfer of Interest to Donor Accounts	-	(230)	(230)	(225)
Net Transfers from/(to) Reserves				
Working Capital Fund	-	-	-	-
Special Reserve Account	(1,534)	-	(1,534)	(157)
Fund Balances, Beginning of Period (as previously reported)	(875,366)	2	(875,364)	(641,371)
FUND BALANCES, END OF PERIOD	(812,423)	2	(812,420)	(596,854)

Summary Comment on Preliminary Financial Results of the eleven months ended 30 November 2014

Liquidity position and outstanding contributions

2. The liquidity of the Organization under the General Fund as represented by cash and cash equivalents totalled USD 95.8 million at 30 November 2014 (USD 102.1 million as at 31 December 2013). As at 30 November 2014 the rate of collections of Member Nation assessments was in line with expectations and requirements.

Investments - held for trading

3. The value of Investments - held for trading as at 30 November 2014 amounted to USD 640.2 million and together with term deposits of USD 353.1 million, disclosed within cash and cash equivalents, represented mainly unspent Trust Fund balances held pending disbursements on project implementation. Term deposits and investments - held for trading combined as at 31 December 2013 amounted to USD 979.8 million. During the eleven months ended 30 November 2014, the combined term deposits and investments - held for trading increased by USD 13.5 million.

4. FAO's prudent, low risk investment style and the continuing near zero interest rate environment in 2014 kept the returns on the held for trading investment portfolio very low, with a year to date return of 0.17%. This however, exceeded the benchmark return by 0.15%. In 2013 the full year return figures were 0.19 % compared to a benchmark return of 0.16 %.

Investments - available-for-sale

5. Available-for-sale investment portfolios, which represent those investments set aside to fund the Organization's Staff Related Schemes, increased in value from USD 431.6 million at 31 December 2013 to USD 449.2 million as at 30 November 2014. The increase was due to several factors including:

- additional funding totalling USD 6.4 million was injected into the portfolio in line with the receipt of contributions which include specific Conference-approved funding towards the ASMC liability;
- during the eleven months ended 30 November 2014, the return on the available-for-sale portfolio of investments generated a net gain of USD 10.4 million. Overall, the gain was due to favourable market conditions, in both the bond market and the equity market, and comprised USD 7.4 million of interest income and net realised gains of USD 20.2 million, offset by USD 15.6 million of net unrealised losses and USD 1.6 million of management fees charged by the Organization's investment portfolios managers.
- the EUR/USD foreign exchange rate impacted strongly the investment performance over the eleven months ended 30 November 2014. This and other aspects of investment performance during 2014 are further detailed in document FC157/4, *Report on Investments 2014*.

Staff Related Schemes

6. FAO has four staff-related plans (the "Plans") that provide benefits to staff members either upon completion of service or as a result of work related illness or injury. The Plans are as follows:

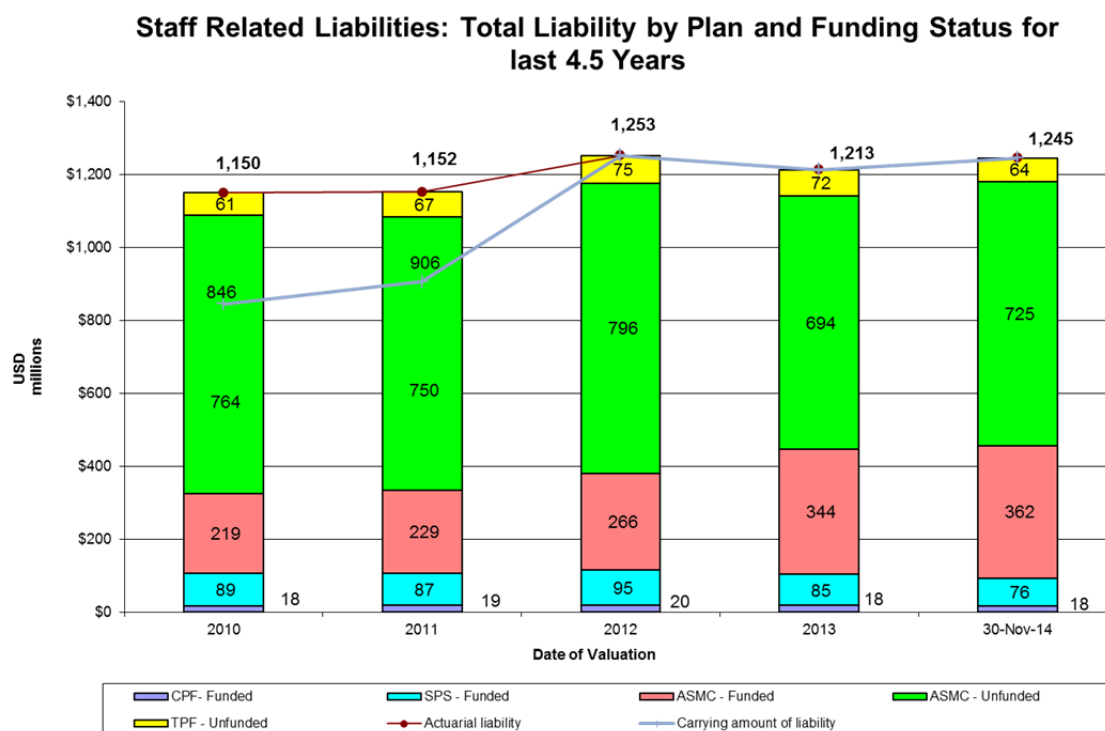
- After-service Medical Coverage (ASMC)
- Separation Payments Scheme (SPS)
- Compensation Plan Reserve Fund (CPRF)
- Termination Payments Fund (TPF)

7. The results of the latest actuarial valuation as at 31 December 2014 and related funding requirements and issues are presented separately to the 157th Session of the Finance Committee in document FC 157/6, *2014 Actuarial Valuation of Staff-Related Liabilities*.

8. The total liability of the Plans at 30 November 2014 amounted to USD 1,245.4 million, an increase of USD 32.2 million compared to the balance of USD 1,213.2 million as at December 2013.

9. As at 30 November 2014 unfunded staff related liabilities amounted to USD 789.1 million, of which After Service Medical Coverage accounted for USD 725.3 million and the Terminal Payments Fund accounted for USD 63.8 million. Table 3 presents the analysis of the total actuarial liability by plan by funding status.

Table 3



General and Related Fund Balance

10. The General Fund deficit decreased by USD 63.0 million from USD 875.4 million as at 31 December 2013 to USD 812.4 million as at 30 November 2014. The net decrease in the deficit is due to the recognition of a full year of 2014 Member Nations assessments compared to eleven months of expenditure in 2014. Consequently, the current deficit is not considered indicative of the final year-end closing position. The forecast deficit as at 31 December 2014 is expected to be approximately USD 900 million.

TCP Expenditure and Deferred Income

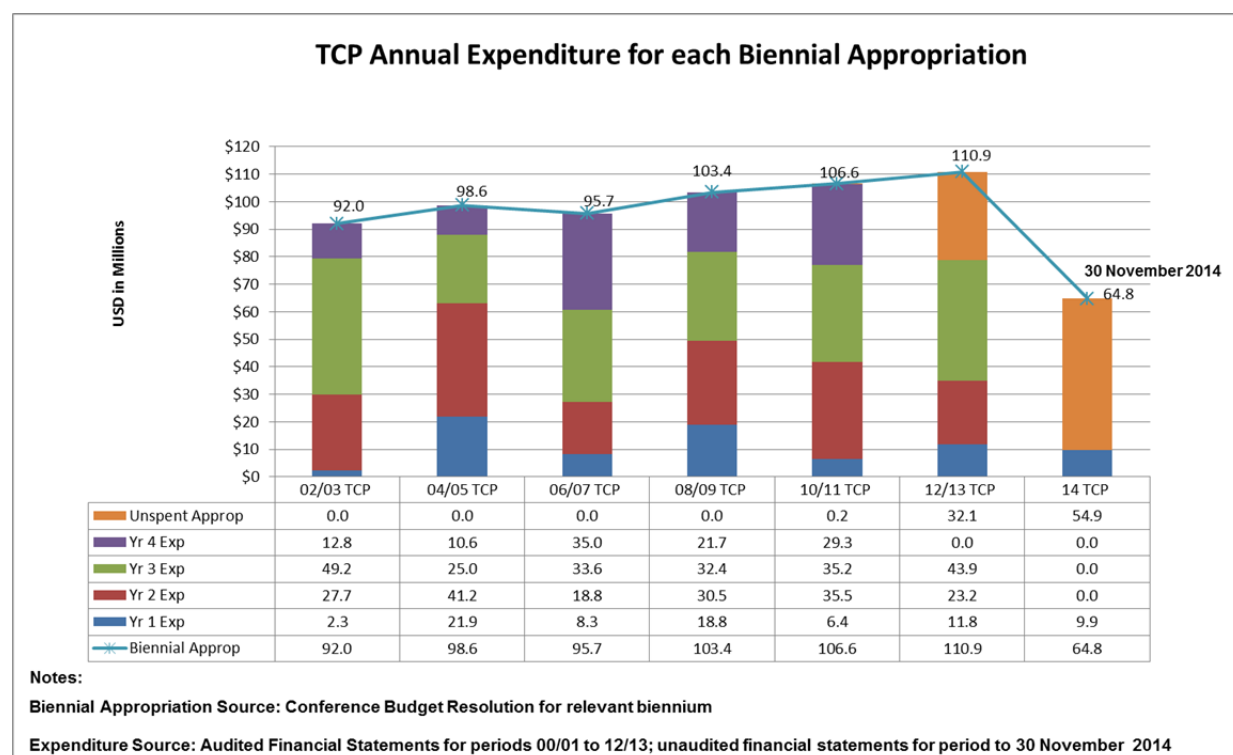
11. During the eleven months ended 30 November 2014, TCP expenditure charged against the 2014 appropriation amounted to USD 9.9 million whilst that against the 2012-13 appropriation amounted to USD 43.9 million. The average monthly TCP expenditure increased steadily during the period to USD 4.9 million as at 30 November 2014 compared to an average of USD 3.6 million during the eleven months ended 30 November 2012. As at 30 November 2014, the TCP deferred income (i.e. the available appropriation) of the 2012-13 appropriation amounted to USD 32.1 million whilst that of the 2014 appropriation amounted to USD 54.9 million..

12. The average monthly TCP expenditure of all appropriations is shown in Table 4 below:

Table 4

Average monthly expenditure	Average monthly TCP expenditure					
	Time period					
	30-Nov-14 11 months	2012-13 24 months	2010-11 24 months	2008-09 24 months	2006-07 24 months	2004-05 24 months
	4.9	4.1	4.0	4.9	2.5	5.2

13. Table 5 presents the TCP expenditure (including accruals) for all appropriation periods and TCP available appropriation (i.e. deferred income) for each year from 1 January 2002 to 30 November 2014. The expenditure incurred against the 2014 appropriation represented 15.3% of the available appropriation. The balance is available for expenditure through 31 December 2017, together with the new appropriation for each calendar year. The expenditure incurred during the eleven months ended 30 November 2014 against the brought forward balance on the 2012-13 appropriation represented 57.4% bringing the total expenditure under the 2012-13 appropriation to USD 78.9 million. The remaining USD 32.1 million of the 2012-13 appropriation will be available until 31 December 2015.

Table 5

Losses on Exchange Differences

14. During the eleven months ended 30 November 2014 the Organization recorded a net loss of on exchange of USD 7.9 million. This comprised:

- Actual cash backed foreign exchange differences incurred by the Organization of USD 1.5 million gain during the period. This gain was transferred to the Special Reserve Account, in line with the previous agreement by the Finance Committee at its 135th Session to discontinue the transfer of Euro-to-Dollar translation differences (non-cash) to the SRA.
- Other losses of USD 9.4 million incurred principally against the Euro portion of the Assessments on Member Nations¹.

Voluntary Contributions

15. “Trust Funds and UNDP” comprise activities funded from voluntary contributions through projects, including those funded by the United Nations Development Programme.

16. Contributions Received in Advance for Trust and UNDP Funds amounted to USD 720.9 million at 30 November 2014 compared to USD 707.9 million at 31 December 2013. These amounts represent the balance of voluntary contributions received from donors which have not yet been expended on the implementation of projects.

17. Table 6 presents an analysis of the Trust Fund contributions received² from donors during the eleven months ended 30 November 2014. This table includes details of the top 25 contributors during the period together with prior year comparatives.

18. In accordance with FAO's accounting policy, income from voluntary contributions is recognized proportionately with the degree of project activity completed as measured in terms of expenditure.

19. Income reported on Trust Fund and UNDP projects for the eleven months to 30 November 2014 amounted to USD 648.1 million (Trust Funds - USD 645.7 million ; UNDP - USD 2.4 million). This compared with USD 667.9 million reported for the 12 month period to 31 December 2013 and USD 697.0 million reported for the 12 month period to 31 December 2012. Updated figures for the full 12 month period to 31 December 2014 will be presented to the Finance Committee during its session in March 2015.

¹ The exchange differences are generated both as assessments are received and also on the translation of the outstanding balance of Assessments at the period end.

² For operational purposes FAO also maintains a comprehensive tracking of the approval of voluntary contributions, counted at the time when trust funds are both approved by the resource partner and have become operationally active. At that time, part but frequently not all of the funds have been received by FAO. The phased model of funds receipt for trust funds explains the difference between the figures reported in this document for “Contributions Received” and the figures for “Contributions Approved” published elsewhere.

Table 6 - Analysis of Voluntary Contributions Received

Eleven months to 30 November 2014	USD 000's	Eleven months to 30 November 2013	USD 000's
(1) European Union	116,653	(1) European Union	96,434
(2) United States	75,297	(2) United States	64,376
(3) United Kingdom	70,958	(3) Japan	39,321
(4) Global Environment Fund (GEF)	66,145	(4) UN Office for the Coordination of Humanitarian Affairs (OCHA)	37,206
(5) UN Office for the Coordination of Humanitarian Affairs (OCHA)	37,737	(5) United Kingdom	36,755
(6) Norway	22,789	(6) UNDP Administered Donor Joint Trust Fund	30,140
(7) Canada	22,147	(7) Global Environment Fund (GEF)	24,000
(8) UNDP Administered Donor Joint Trust Fund	24,051	(8) Saudi Arabia	19,796
(9) Germany	13,751	(9) Belgium	14,714
(10) Saudi Arabia	13,370	(10) Canada	12,358
(11) Japan	12,732	(11) Germany	11,753
(12) Italy	11,278	(12) Mexico	11,158
(13) Brazil	10,453	(13) Italy	10,780
(14) The Common Fund for Humanitarian Action in Sudan (CHF)	10,357	(14) Madagascar	9,591
(15) World Bank	9,399	(15) Norway	8,371
(16) Mexico	8,685	(16) Sweden	7,998
(17) Belgium	8,584	(17) The Common Fund for Humanitarian Action in Sudan (CHF)	7,584
(18) Afghanistan	7,723	(18) Netherlands	7,374
(19) Sweden	7,277	(19) Bangladesh	7,200
(20) Denmark	6,705	(20) Finland	5,903
(21) Switzerland	6,459	(21) Brazil	5,679
(22) BMG - Global Development Program of the Bill & Melinda Gates Foundation	6,415	(22) Switzerland	5,677
(23) Colombia	5,956	(23) GEF (UNDP)	5,016
(24) Cent Afr Rep/ World Bank	5,750	(24) Congo, Rep	4,625
(25) Netherlands	5,511	(25) Afghanistan	4,596
Top 25	586,182	Top 25	488,406
Multi-donor	48,939	Multi-donor	126,414
Other donors	96,156	Other donors	77,176
Total	731,276	Total	691,997

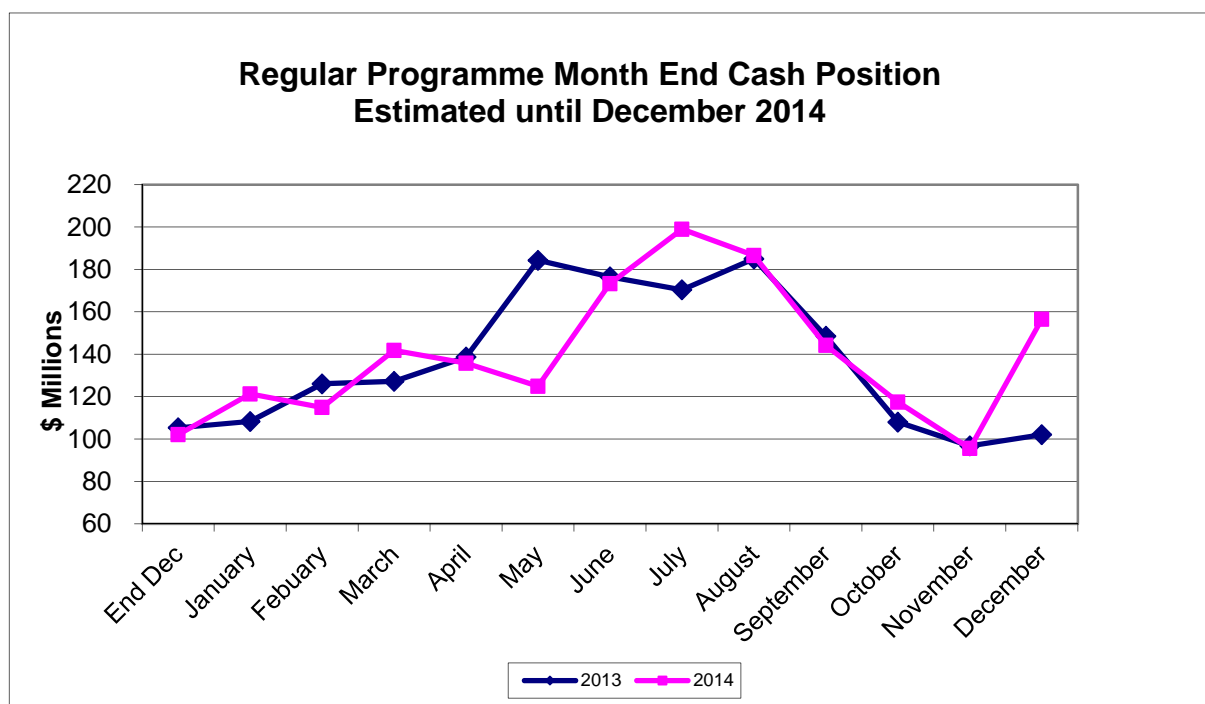
2014 Cash Flow Forecast (Regular Programme)

20. Table 8 below presents the Organization's consolidated Regular Programme month-end short term liquidity position (which includes cash and cash equivalents) from 1 January 2014 through 30 November 2014 and a forecast through 31 December 2014, with comparative figures for 2013. All figures are expressed in millions of USD.

21. The percentage of 2014 assessed contributions paid to the Organization by Member Nations as at 30 November 2014 was 70.59 %, a lower rate of receipts than the equivalent figure of 77.65 % for the previous year. Receipts of contributions during December increased the cumulative collection rate of assessed contributions for 2014 to 86.96% compared to 83.90% for 2013. Further details on the status of current assessments and arrears as at 31 December 2014 are presented in document FC 157/INF/2.

22. The forecasted cash position reflects payments of USD 43 million and EUR 29 million expected to be received from the USA during December 2014. Based on Members' past payment patterns and the Regular Programme cash level as at 30 November 2014, the Organization's liquidity was expected to be sufficient to cover operational needs through the end of 2014.

Table 7



Appendix I

Financial and Budgetary Information for the Second International Conference on Nutrition (ICN2)

Background

1. The Second International Conference on Nutrition (ICN2), jointly organized by FAO and the World Health Organization (WHO), took place from 19 to 21 November 2014 at FAO Headquarters in Rome, with the objectives of: (i) reviewing progress made in improving nutrition since the first ICN in 1992; (ii) reflecting on problems that remain, as well as on new challenges and opportunities presented by global changes; and (iii) identifying policy and institutional options for enhancing nutrition worldwide.
2. In June 2013, the FAO Conference supported the initiative to organize ICN2³. In December 2013, the FAO Council: requested the ICN2 Joint Secretariat to develop a roadmap for an intergovernmental process and for consultations with civil society and private sector organizations; invited the Independent Chairperson of Council to facilitate the process; and encouraged the Joint Secretariat to prepare a zero draft of the Conference outcome document⁴. In January 2014, the WHO Executive Board further requested the Directors-General of WHO and FAO to jointly: (i) set up a Joint Working Group (JWG) to prepare the draft outcome documents; and (ii) explore the possibility of convening a meeting of an open-ended working group (OEWG) for the finalization of the outcome documents⁵.
3. The JWG was established and tasked to prepare, in cooperation with the Joint Secretariat, a draft political outcome document and a draft framework for action. From March to September 2014, monthly meetings of the JWG were held, in a cost-saving way, through video conferencing between Geneva and Rome.
4. A face-to-face meeting of the OEWG, providing speaking rights to all FAO and WHO Members, was held in two sessions: in Geneva on 22-23 September 2014 and then in Rome from 10 to 12 October 2014. At the end of this meeting, consensus was reached on the full text of the Conference outcome documents.
5. UN partners, other international organizations, civil society, research community, academia and private sector organizations were consulted on the two Conference outcome documents including through three web-based public consultations, and also took part in the OEWG meeting.
6. At its first session on 19 November 2014, ICN2 adopted the Rome Declaration on Nutrition⁶ and its companion Framework for Action⁷.

Financial and Budgetary Information

7. At its 156th session (3-7 November 2014), the Finance Committee requested the Secretariat to present a report on the financial and budgetary aspects of ICN2 at its regular session in spring 2015⁸.
8. The present document provides the requested information on the ICN2 estimated financial requirements for 2014, outlining the expected incremental costs involved and specifying the secured

³ C 2013/REP, paragraphs 80-81.

⁴ CL 148/REP, paragraph 11.

⁵ Decision EB 134(2), EB 134/DIV./3.

⁶ *Conference Outcome Document: Rome Declaration on Nutrition*, ICN2 2014/2.

⁷ *Conference Outcome Document: Framework for Action*, ICN2 2014/3 Corr.1.

⁸ CL 150/4, para 42.

funding sources. This paper complements two previous information notes on the ICN2 financial situation, which were submitted to the JWG, at its request, in July and September 2014⁹.

9. Table 1 provides a breakdown of the estimated funding requirements in 2014, to cover the JWG and OEWG preparatory activities, jointly organized by FAO and WHO, that resulted in the draft Outcome Policy Document and Framework for Action which were subsequently adopted as the “Rome Declaration on Nutrition” and the companion “Framework for Action” at the ICN2 main event hosted by FAO in Rome. In order to facilitate the communication with resource partners, the estimated funding requirements were communicated in four main areas: (i) planning, coordination and communication; (ii) meeting services (interpretation, translation, publishing, printing, etc.); (iii) travel; and (iv) common services for the main event. Under each major category, further details are provided on estimated expected costs of specific sub-items. The total funding requirements for ICN2 in 2014 were estimated at about USD 3,869 million. Of this amount, USD 3,102 million was to be funded through FAO.

Table 1. ICN2 estimated funding requirements for 2014		Overall (USD)	FAO (USD)
Conference planning, coordination and communication		571,647	334,897
1	Conference coordination	395,274	178,524
2	Planning, monitoring and reporting	116,373	116,373
3	Communication, Web and Social Media presence	60,000	40,000
Interpretation, translation, publishing, printing and other meeting services		944,347	725,014
4	Open-ended Working Group, Joint Working Group meetings and ICN2 Main Event	944,347	725,014
Travel		1,099,000	787,000
5	Open-ended Working Group face-to-face meeting	300,000	0
6	Civil Society Participation, Least Developed Countries' Delegates participation and other related travel	799,000	787,000
ICN2 main event - common services		1,255,000	1,255,000
7	Incremental costs for facilities (installations, catering services, electrical installations, alarm systems, cleaning, heating, transport, maintenance costs, medical services, overtime; and security services (external registration facilities + X-ray machines, overtime, etc.)	891,000	891,000
8	Incremental costs for IT (registration, meeting rooms support, Internet cafés, media facilities, computer facilities for bilateral meeting rooms, Information Systems and overall IT support, cabling, etc.)	364,000	364,000
Total Cost		3,869,994	3,101,911

⁹ “Information note on the ICN2 financial situation for the Joint Working Group meeting on 7 July 2014”; and “Information note on the ICN2 financial situation - Updated on 15 September 2014”.

10. Following the distribution of resource mobilization letters, jointly addressed by FAO and WHO to potential resource partners, a total of USD 3,563 million was made available to fund the FAO resource requirements by the following resource partners: the European Union (USD 1,355,019); Italy (USD 1,091,000)¹⁰; Germany (USD 53,476); Norway (USD 234,020); the Russian Federation (USD 300,000); Spain (USD 329,381); and Switzerland (USD 200,000). These generous contributions were recognized in the Arrangements for the Second International Conference on Nutrition document¹¹, and were also gratefully acknowledged at the closing session of ICN2.

11. For each of these voluntary contributions, an agreement was signed with the resource partner, laying down the services to be provided and setting forth the related financial statements and reporting requirements, in accordance with the financial regulations and rules of FAO.

12. In addition to the above contributions, two private car companies provided, free of charge, and in conformity with the arrangements regarding FAO relation with the private sector, a number of cars for use by high-level delegates from countries not having diplomatic representation in Rome, with this in-kind contribution equivalent to approximately USD 45,000.

13. As of the date of preparation of this document, the total expenditure against the contributions received by FAO amounted to USD 2,500 million. As invoices and expenses related to the hosting of ICN2 are still being received, the final costs are not expected to be confirmed until March 2015. These final costs are, however, forecast to closely match the information presented in Table 1. A verbal update will be provided during the presentation of this document to the March 2015 Session of the Committee. Any remaining funds will be processed in accordance with conditions set forth in the individual donor agreements.

¹⁰ The Government of Italy made available funds for the organization of ICN2 as well as follow up activities and therefore the contribution is not intended to be fully utilized in 2014.

¹¹ ICN2 2014/INF/2 Rev.1, para 5.