

**Estimated delivery for voluntary contributions and resource mobilization trends in 2012
(as at 31 December 2012 Preliminary Closure)**

For information:

This information note provides an updated overview of the estimated delivery in 2012-13 of voluntary contributions¹ as compared with what was estimated in the PWB 2012-13, and presents the status of the resource mobilization as at **end 2012**.

A total of **USD 1 342 million** were available to the Organization in project budgets at the beginning of 2012; which is **8 percent** less than what was available at the beginning of 2011 (**USD 1 455 million**).

At the end of 2012 (preliminary Closure), delivery reached **USD 733 million**. Although this result represents a **15 percent decrease** compared with the preliminary closure of 2011 (**USD 867 million**), it remains higher than the delivery levels prior to 2010. The high delivery in 2010 and 2011 was mainly due to the European Union Food Facility which ended in 2011. In addition, large emergency assistance programmes that delivered well in 2011 are coming to a close in 2012 (Afghanistan, the Democratic Republic of the Congo, Pakistan, the Sudan).

At the end of 2012 (preliminary Closure), **USD 770 million** were approved in new projects and budgetary revisions to existing projects (**USD 710 million** of voluntary contributions and **USD 60 million** of TCP). The USD 710 million in voluntary contributions represents a marginal increase compared with the preliminary closure of 2011 (**1 percent increase**).

Mobilization of new resources as at the preliminary closure of 2012 (**USD 710 million**) is on track towards achieving the target of USD 750 million of resources mobilized within the first year of the biennium. Resources mobilized for the **support to the field programme and technical assistance decreased** by 4 percent. These resources were mobilized largely through Unilateral Trust Funds and funding from the European Commission, the Netherlands and Australia; **emergency and rehabilitation** activities increased by 3 percent mainly due to the Somalia Programme against which USD 100.9 million have been approved in this period compared with the USD 80 million that had been approved at the same period in 2011. Resources mobilized for **Core voluntary** in the same period for an amount of USD 91.3 million, increased by 5 percent.

Voluntary contributions estimated delivery for 2012-13 biennium

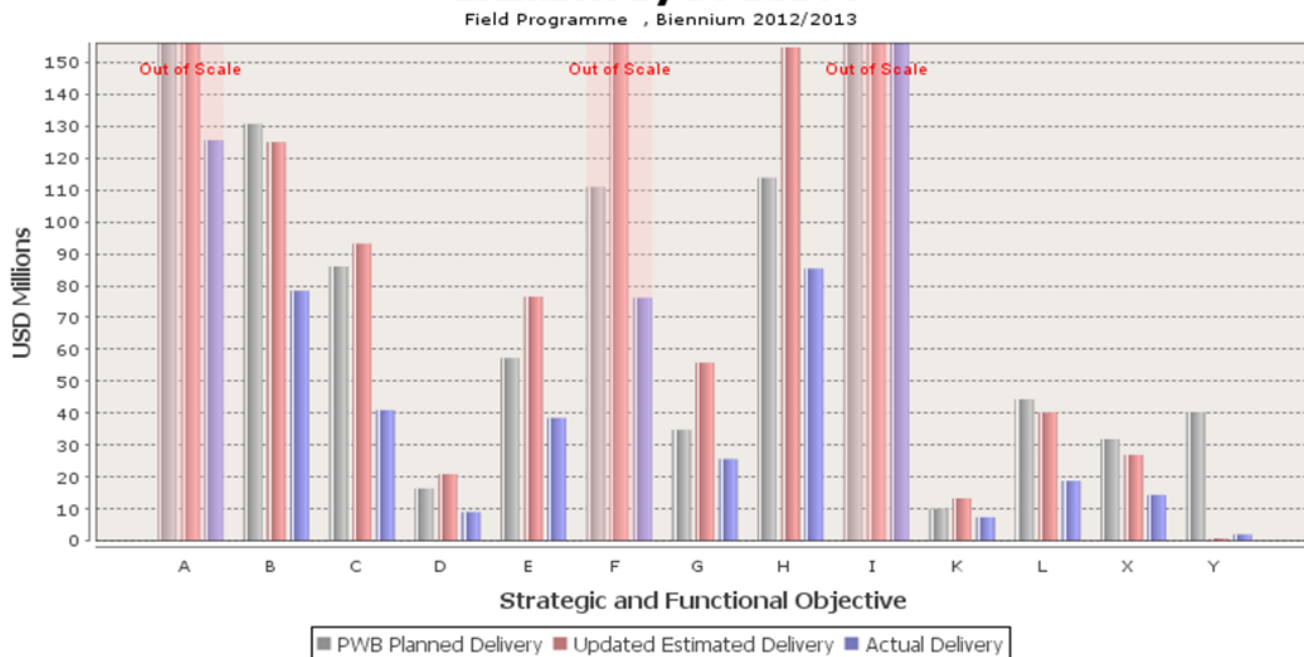
The figure below shows the level of voluntary contributions that were estimated would be delivered in 2012-13 at the time of the preparation of the PWB 2012-13 in July 2009, aggregated by Strategic and Functional Objective². These estimates are compared with the most recent estimates of biennial delivery prepared by Management, and with biennial expenditures as at end 2012 (Preliminary Closure).

¹ For the purpose of this note, delivery estimates include field programme support and technical assistance, emergency and rehabilitation and core voluntary contributions associated with Strategic and Functional Objectives, excluding *non-project* contributions from partners.

² All graphs and tables exclude *non-project* core voluntary contributions estimated in PWB12-13 (for example, TCI income through the World Bank Cooperation Programme) at USD 52.4 million for Strategic and Functional Objectives.

Figure 1: Planned Delivery, Estimated Delivery and Actual Delivery against Voluntary Contributions for 2012-2013

Extra Budgetary BH Estimates and Delivery vis-à-vis PWB Planned Estimates by SO and FO



The application of voluntary contributions is generally aligned to the strategic and functional objectives results frameworks, with however still important variances among some organizational results within Strategic Objectives and in the overall level of estimated delivery for some SOs.

For strategic objectives D, E, F, G and H, estimates for existing projects have exceeded the respective PWB 2012-13 estimates. This indicates that contributions which could not be anticipated at the time of the PWB preparation have since materialized, and reached nearly twice the planned amount. The difference is particularly relevant for SO E, with 34 percent, SO F with 55 percent and SO G with 60 percent higher delivery estimate than what foreseen at the time the PWB 2012-13.

SO E higher delivery estimates concentrate in Organizational Results E01, E03 and E04, and are mostly due to the increase in the programmes for improved forests management and reduction of deforestation; and natural resource management aspects such as the Great Green Wall of the Sahara and Sahel initiative and participatory natural resources management approaches and UNREDD readiness. All are mostly at country or regional level with increased funding partnerships from Global Environment Facility and UNREDD.

SO F higher extrabudgetary delivery estimates concentrate in F02 and F05, and are mostly related to the expansion of the Somalia and Afghanistan programme components related to water management (F02), and to the contribution of the global programme in Support to National REDD+ Action (F05).

SO G higher than planned delivery estimates concentrate in G01 and G04. They are mostly related to the Somalia programme component related to the improvement of livelihood of vulnerable households in urban and peri-urban areas of Central Somalia and Mogadishu, and the regional initiative in support of vulnerable pastoralist in the HoA for the market related dimensions.

SO H higher than planned delivery estimates concentrate in H04 and H05 and are mostly related to the European Union/FAO programme on Improved Governance for Hunger reduction 2012-2015 (H04) and Bangladesh projects on Food Security as well as Policy Capacity Strengthening (H05).

The Table below shows the summary of delivery as at 2012 and estimated delivery for the biennium for all projects by region.

**Table 1: Actual and Estimated Delivery by Region for Projects Funded under Voluntary Contributions
(in 000 USD)**

Region	Actual Delivery (2012 - 2013)			Actual Delivery (2012 - 2013) Total	Updated Delivery Estimates			Updated Delivery Estimates Total
	Core	Emergencies	field		Core	Emergencies	field	
Africa	0	179 893	69 240	249 133	0	309 600	136 985	446 585
Asia	0	61 363	77 656	139 019	0	88 752	170 331	259 083
Europe	0	483	10 139	10 622	0	498	23 145	23 644
Interregional	127 670	16 256	5 242	149 167	239 914	17 897	8 057	265 868
Latin America	0	23 000	54 633	77 633	0	25 779	104 552	130 331
Near East	0	47 860	15 091	62 951	0	77 592	45 209	122 801
Grand Total	127 670	328 855	232 001	688 525	239 914	520 117	488 280	1 248 311

The table in Annex I shows the level of planned and updated estimated delivery of voluntary contributions in 2012-13 by strategic and functional objectives and organizational results and three categories Field Programme Emergency and Core.

Resource mobilization

Figure 2 and Table 2 below provide time series analysis of voluntary contributions mobilized³ by FAO in the period 2007 to 2011; while Figure 3 and Table 3 show voluntary contributions mobilized in 2012 (Preliminary Closure) compared with the preliminary closure of 2011.

The sharp increase in 2008 and 2009 was due to the European Union funding for the Food Facility during the price volatility period. Resources mobilized for emergencies and rehabilitation have stabilized around an average level of \$370 million per year in the last four years although with important fluctuations.

Mobilization of new resources in 2012 reached USD 710 million a 1 percent increase overall compared with the same period in 2011 and is on track towards achieving the target of USD 750 million of resources mobilized within the first year of the biennium.

Resources mobilized for the support to the field programme and technical assistance decreased by 4 percent. These are largely through Unilateral Trust Funds and funding from the European Commission the Netherlands and Australia. Emergency and rehabilitation activities rose by 3 percent mainly due to the Somalia Programme against which USD 100.9 million have been approved in this period compared with the USD 80 million that had been approved at the same period in 2011. Resources mobilized for Core voluntary in the same period increased by 5 percent.

³ Resources mobilized are defined as total budgets of new projects or programmes approved and net total budget increases of on-going projects approved in a year. These are monitored through the Field Programme and Management Information System under the responsibility of OSP.

The economic and financial crisis is not affecting all sources of funding in the same way. Some important bilateral resource partners have been severely affected and have drastically reduced the volume of their voluntary contributions⁴. On the other hand the Economic Commission for Africa (ECA) – FAO's main resource partner – those countries engaged through Unilateral Trust Funds and some of FAO's traditional bilateral resource partners⁵ have made efforts to maintain (or increase) their levels of voluntary contributions towards funding the work of the Organization. Unilateral Trust Funds however have remained at the high level shown in 2011 (USD 97 million compared with USD 86 million at the same period in 2011). Out of this the Saudi Arabia programme is USD 57.8 million.

Joint Programmes and mechanisms such as GEF (USD 8.9 million) are also maintaining or increasing the level of funding committed to the Organization work in 2012.

The share of Official Development Assistance (ODA) going to agriculture fell from 17 percent in 1980 to 3.8 percent in 2006. Since 2007, in the wake of food price volatility, spending on agriculture saw a steady increase to 6.6 percent in 2011. However, the global economic downturn is affecting not only traditional ODA providers but also developing countries. There is a risk, in the coming years, of these positive trends encountering a decline.

Against this background, based on the FAO preliminary closure of accounts, in 2012 USD 770 million were approved in new projects and budgetary revisions to existing projects. The amount includes voluntary contributions of USD 710 million as well as projects funded from FAO's own Technical Cooperation Programme (TCP), at USD 60 million. Overall, this result represents a 1 percent increase if compared with last year, which is an achievement in the current world economic environment.

In addition to donors' approvals through FAO, through its cooperative programmes with international financing institutions, FAO has assisted its member countries in programming almost USD 2.8 billion in investments for agriculture and rural development projects.

In 2013, major efforts will be required to increase voluntary contributions to achieve results under the Strategic Framework.

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⁴ For example, Ireland, Italy, Japan, Spain, the Netherlands.

⁵ For example Switzerland, Norway, United Kingdom, Germany.

Figure 2: Resources Mobilized in 2007-2011 (USD 000) as at 2012 (Preliminary Closure)

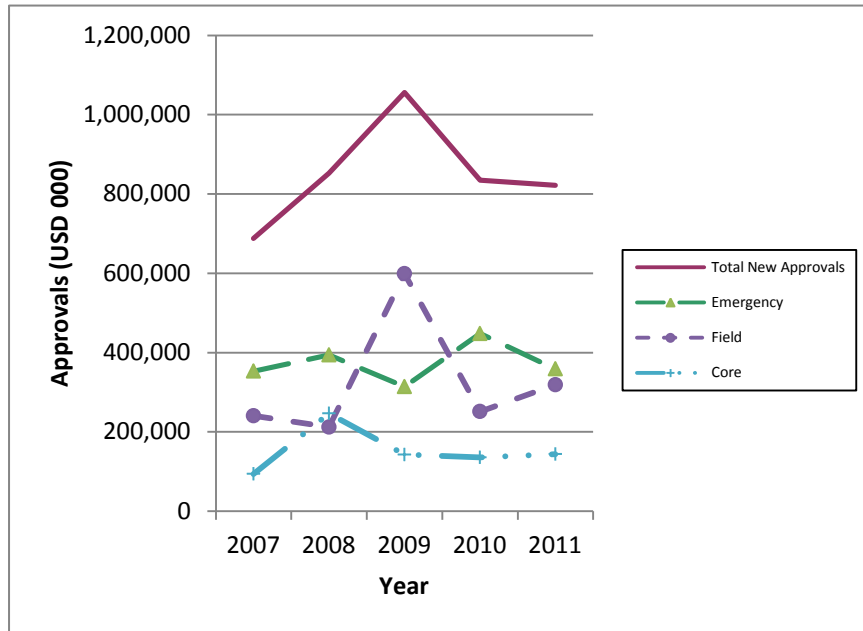


Table 3: Resources Mobilized in 2007-2011 (USD 000) as at 2012 (Preliminary Closure)

	2007	2008	2009	2010	2011
Total New Approvals	688 151	852 892	1 055 851	835 137	821 886
Emergency	353 335	394 084	314 161	447 931	358 992
Field	240 650	212 107	598 994	251 513	318 863
Core	94 166	246 701	142 696	135 692	144 031

Figure 4: Resources Mobilized in the period Jan-Dec - 2012 (Preliminary Closure) compared with the same period in 2011 (USD 000)

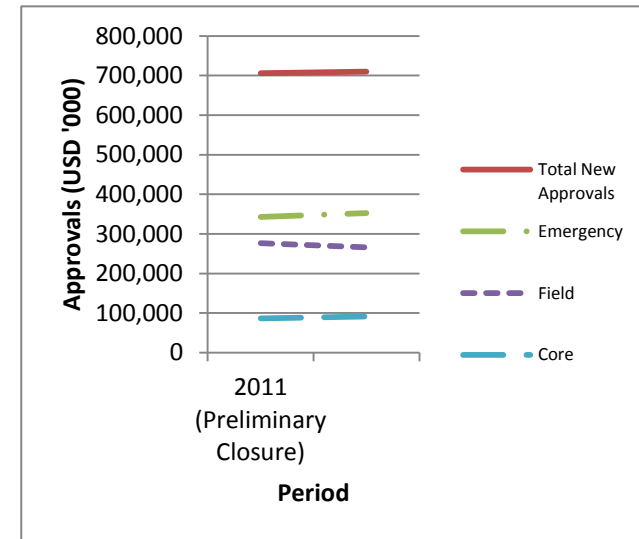


Table 5: Resources Mobilized in the period 2012 (Preliminary Closure) compared with the same period in 2011 (USD 000)

	2011 (Preliminary Closure)	2012 (Preliminary Closure)	Percentage Change
Total New Approvals	705 516	710 082	1%
Emergency	342 540	352 346	3%
Field	276 316	266 363	-4%
Core	86 661	91 374	5%

FAO's top twenty resource partners in 2012 to date are shown in the table below based on resources mobilized. The first twenty have contributed 75 percent of all resources mobilized in the year so far (or 66 percent if we exclude Multilateral). The first two contributed 23 percent with a strong predominance towards funding emergency response. Multilateral contributions are third overall and also fund mainly emergency activities.

Table 2: Top 20 Resource Partners in 2012 (USD 000) as at 2012 (Preliminary Closure)

Resource Partners	Emergency Assistance	Field Programme	Core Voluntary	Total Approvals
European Union	52 263 874	28 930 897	17 265 992	98 460 763
Of which ECHO funding	11 424 723	0	0	11 424 723
USA	62 565 195	16 652 984	555 898	79 774 077
UNOCHA	43 081 706	0	0	43 081 706
UK	36 270 798	734 582	2 678 549	39 683 929
Italy	4 195 897	14 235 832	3 326 105	21 757 834
UNDP Administered Donor Joint Trust Fund	7 673 628	12 672 673	261 757	20 608 057
Norway	1 950 783	3	17 619 535	19 570 321
Japan	15 100 976	2 882 894	746 062	18 729 932
Australia	2 231 955	13 909 973	0	16 141 928
Netherlands	0	15 486 806	126 987	15 613 793
Brazil	4 194 306	11 311 322	0	15 505 629
Spain	1 722 906	8 824 261	1 527 275	12 074 442
Canada	10 716 735	1	309 150	11 025 886
Belgium	5 260 762	4 203 531	625 931	10 090 224
Germany	0	4 916 869	5 123 559	10 040 428
CHF - The Common Fund for Humanitarian Action in Sudan	9 252 512	0	0	9 252 512
GEF (FAO)	0	8 382 581	600 000	8 982 581
China	0	5 682 431	3 089 019	8 771 450
Multilateral	46 866 501	2 881 464	21 239 157	70 987 122
UTF Projects	1 427 071	95 530 366	0	96 957 437
Other Resource Partners	47 570 263	19 123 192	16 278 619	82 972 074
Total Approvals	352 345 868	266 362 663	91 373 595	710 082 126

Annex I – Voluntary contributions in 2012-2013 (000 USD)

Organizational Result	Estimate PWB 2012 - 2013	Updated Estimate			
		TOTAL	Field Programme	Core Voluntary	Emergencies
A01	28 505	45 083	34 563	7 129	3 390
A02	20 478	11 108	2 089	5 774	3 245
A03	2 752	26 257	19 890	6 176	191
A04	210 035	111 959	5 874	12 864	93 220
Subtotal SO A	261 770	194 407	62 417	31 944	100 046
B01	30 503	51 466	11 589	840	39 037
B02	98 704	66 683	5 882	7 652	53 149
B03	568	3 708	2 894	814	0
B04	258	2 736	867	1 869	0
Subtotal SO B	130 033	124 593	21 232	11 174	92 186
C01	10 656	13 475	8 612	4 864	0
C02	19 724	14 963	3 189	11 774	0
C03	27 595	33 723	15 719	18 005	0
C04	2 806	6 827	5 154	1 673	0
C05	17 966	8 831	3 827	377	4 627
C06	6 678	5 551	4 322	130	1 099
Subtotal SO C	85 425	83 370	40 822	36 822	5 726
D01	3 412	2 934	1 492	1 442	0
D02	1 529	2 098	1 690	408	0
D03	5 814	12 870	12 088	287	495
D04	5 476	2 930	2 504	426	0
Subtotal SO D	16 231	20 832	17 774	2 563	495
E01	9 667	16 883	4 421	12 462	0
E02	2 034	178	19	159	0
E03	10 860	19 543	12 176	7 367	0
E04	13 571	24 880	15 849	8 145	886
E05	9 912	6 632	5 009	279	1 344
E06	11 006	8 452	2 694	5 758	0
Subtotal SO E	57 050	76 568	40 168	34 170	2 229
F01	20 650	14 903	11 146	3 157	600
F02	34 516	77 340	44 078	6 859	26 404
F03	8 257	4 069	736	3 333	0
F04	9 708	19 011	4 484	12 123	2 405
F05	24 176	54 115	14 111	36 755	3 249
F06	12 924	1 966	1 926	40	0
Subtotal SO F	110 232	171 404	76 480	62 266	32 658

G01	23 677	36 822	23 801	935	12 087
G02	5 153	9 819	6 870	0	2 950
G03	5 394	4 045	4 045	0	0
G04	288	4 436	649	3 787	0
Subtotal SO G	34 512	55 122	35 364	4 722	15 036
H01	65 056	70 228	50 400	6 187	13 640
H02	8 264	13 108	2 868	10 240	0
H03	10 174	14 138	12 001	2 136	0
H04	11 207	29 727	13 739	15 989	0
H05	19 132	24 832	21 958	2 874	0
Not Assigned	0	1 111	1 092	0	19
Subtotal SO H	113 832	153 144	102 059	37 426	13 659
I01	85 479	60 680	1 839	768	58 072
I02	41 091	124 869	11 136	382	113 351
I03	275 104	78 048	13 135	382	64 530
Subtotal SO I	401 675	263 597	26 110	1 533	235 954
K01	1 623	511	511	0	0
K02	5 648	9 670	2 710	1 848	5 112
K03	2 651	2 352	2 161	191	0
K04	50	257	8	249	0
Subtotal SO K	9 972	12 789	5 390	2 288	5 112
L01	3 318	3 458	2 414	1 044	0
L02	33 050	25 289	21 387	3 902	0
L03	7 822	11 427	6 100	1 813	3 514
Subtotal SO L	44 189	40 175	29 901	6 759	3 514
X01	23 035	20 190	16 977	3 214	0
X02	2 356	279	0	279	0
X03	3 073	713	25	688	0
X04	3 373	1 615	0	1 615	0
Subtotal SO X	31 837	22 798	17 002	5 796	0
Y01	20 410	35	0	35	0
Y02	19 423	0	0	0	0
Y03	552	725	407	317	0
Subtotal SO Y	40 385	760	407	353	0
Not assigned to any SO	0	28 753	13 154	2 099	13 501
Grand Total	1 337 143	1 248 311	488 280	239 914	520 117