

**Technical Cooperation Department
Field Programme Coordination and Monitoring Service (TCOM)**

**Monthly Progress Report on the Field Programme:
Situation as at 28 February 2009**

EXECUTIVE SUMMARY

1. The year 2009 started with a net opening balance of USD 1 204 million in available budgets for delivery in 2009 and future years. This is an increase of 35 percent over the opening balance in 2008. 65% of this amount are for technical cooperation, and the rest for emergencies.
2. Overall field programme delivery has increased compared to 2008 at the same stage. Both technical cooperation and emergency delivery have accelerated delivery in five countries.:
3. The ISFP delivery has contributed substantially to the increased delivery by TC and FAOREps.
4. The delivery of TCP has improved substantially due to the support to the ISFP.
5. Overall delivery by technical departments (mainly NR, ES and FO) is higher than in 2008 during the same period. Delivery up to February 2009 by AG is high but remains lower than the 2008 level at the same stage.
6. Delivery for technical cooperation in all regions, including those operated by headquarters, is higher than in 2008 during the same period. Delivery by FAOREps is increasing in all regions except in Latin America where it remains at the same level of 2008 at the same stage.. This increased delivery by FAOREps is largely due to the ISFP.
7. Early trends in technical cooperation delivery indicate that total 2009 delivery will exceed 2008 delivery performance. The trend for emergency/rehabilitation assistance cannot be assessed at this early stage.
8. Annex II carries a detailed analysis of the increase in delivery.

Technical Cooperation Department Field Programme Coordination and Monitoring Service (TCOM)

Monthly Progress Report on the Field Programme: Situation as at 28 February 2009

Overview

Available budgets and new approvals: At the beginning of 2009, the Organization had a net opening balance of USD 1 204 million in approved budgets to deliver, 35 percent more than at the beginning of 2008.

Approval of new budgets: During the first two months in 2009, US\$70 million were approved in new projects and revisions (2008: US\$32 million).

The comprehensive analysis of the delivery potential for 2009 will be subject to the annual “field programme delivery report 2008 forecast 2009”. However, the following data may serve as a very preliminary indication of likely trends: according to available data, currently approved budgets available for delivery (end February) are in the order of US\$1130 million for the entire field programme (technical cooperation and emergency assistance) for implementation in 2009 and future years. Delivery estimates prepared by budget holders in November 2008 and the currently known active pipeline, including those projects under final consultation, indicate that conditions are set so that 2009 delivery level will be slightly higher than recorded in 2008. However this will require in-depth analysis which will be provided through the annual report.

Sources and Application Analysis	2007	2008	2008 (Feb)	2009 (Feb)	2009 (Feb) in % of 2008
Opening Balance	702	890	890	1,204	35
Technical Cooperation	458	558	558	785	41
Emergency	243	332	332	418	26
New Approvals and revisions (increase)	744	941	32	70	119
Technical Cooperation	386	507	12	51	325
Emergency	358	435	20	19	-5
Re-activated Closed Projects	30	16	1	0	-100
Technical Cooperation	3	0	-0	-1	n.a
Emergency	26	16	2	1	-50
Delivery	505	602	104	138	33
Technical Cooperation	255	260	56	68	21
Emergency	250	342	48	70	46
Accounting adjustments	80	42	1	5	400
Carry Forward	890	1,204	818	1,130	38

Field programme delivery 2009

Overall cumulative field programme delivery during the first two months of 2009 exceeds the 2008 delivery by 33 percent; with emergency assistance increasing by 46% and technical cooperation delivery increasing by 21%.

This substantive increase compared to the first two months in 2008 is caused by the following factors:

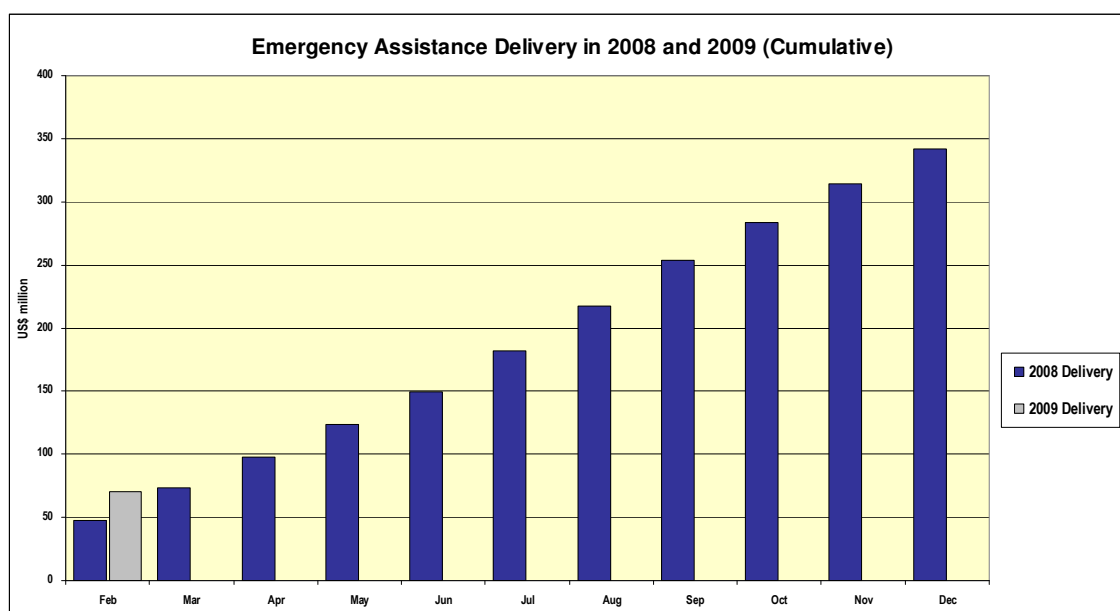
1. **Accounting Adjustments** – Of the USD34.1 million increase, a total of USD 10.1 million is due to accounting adjustments.
2. **ISFP** - ISFP Projects have delivered **USD 10.8 million** up to February 2009 while there was no ISFP delivery at the same stage in 2008.
3. **Non-ISFP Emergency delivery** .

Overall delivery (values in USD million)

Field Programme Category	2007	2008	Budget Holder estimates for 2009 (adjusted)	Jan-Feb 2008	Jan-Feb 2009	Change
Emergency	250.2	341.6	164.7	48.0	70.1	46%
<i>(of which TCP)</i>	4.7	20.8	19.3	0.5	4.4	780%
Technical Cooperation	254.9	260.2	182.5	55.8	67.8	21%
- DFTC	227.7	227.7	155.1	52.3	63.6	22%
- RP (TCP and SPFS)	27.2	32.5	27.4	3.5	4.3	23%
TOTAL	505.1	601.9	347.2	103.8	138.0	33%

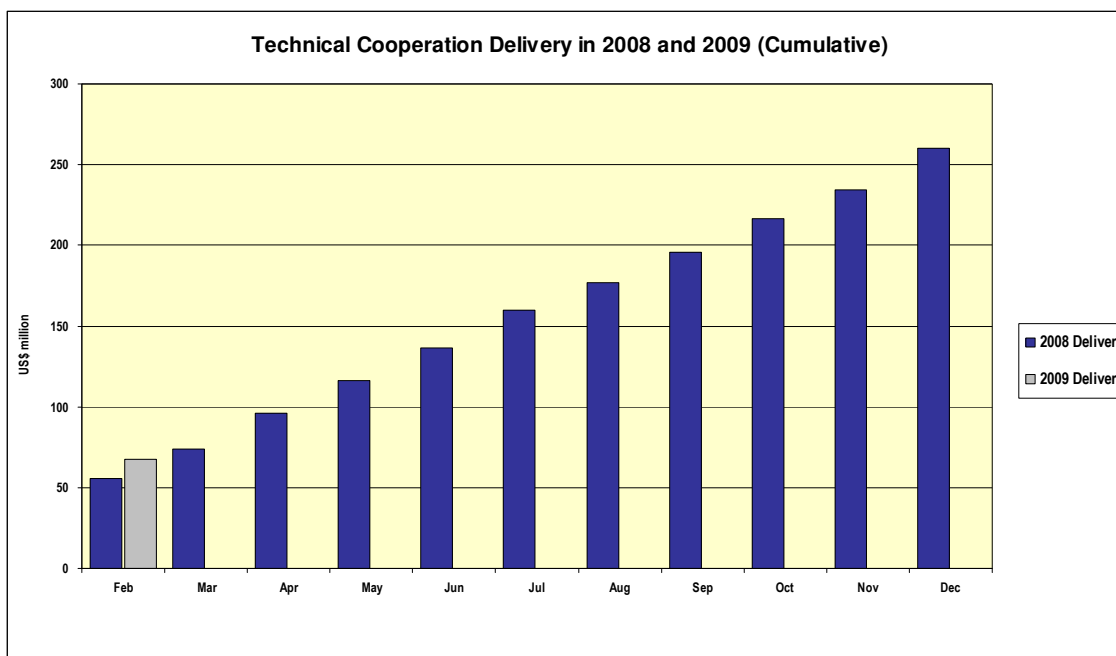
- **Emergency assistance** delivery up to February 2009 is US\$70 million which is significantly higher than in 2008 at this stage. This results from a significant increase in delivery several countries notably Georgia, Congo DR, Sudan and Somalia.¹

Delivery of TCP-funded emergency assistance had more than tripled compared to 2008, mainly due to ISFP-funded projects largely operated by FAOReps.



- Delivery of **technical cooperation assistance** up to February 2009 has increased compared to 2008 (21 percent).

¹ (in addition to another eleven countries, with delivery increase of more than USD 3 million: Bangladesh, Congo Democratic, Haiti, Indonesia, Lebanon, Myanmar, Nicaragua, Somalia, Tajikistan, Uganda and the Programme in West Bank and Gaza Strip)



The causes for the increased delivery for technical cooperation the following:

- **GCP** delivery has increased (+12 percent).
- Delivery of **UTF**-funded technical cooperation has increased (+12 percent) due to the large UTF portfolio for Saudi Arabia, in addition to the food security project in Mexico and an irrigation project in Afghanistan.
- Delivery for **GCPD**-funded projects (funding from European municipalities, etc.) has increased (+25 percent) and the delivery against the APO programme has also increased (+65 percent).
- The **Other Trust Funds** delivery has increased by 30 percent. The delivery from FAO components in 40 **UN Joint Programmes**² (total budget of USD 20 million) currently amounts to USD 1 million. Twenty three of these Joint Programmes are financed under the MDGf (of which two in the "Delivering as One" (DaO) pilot Mozambique) and 15 within the framework of DaO. A further 30 UN Joint Programmes are under preparation (25 under MDGf and 5 under DaO)

The 2009 TCP delivery for technical cooperation has increased by +18 percent..

² This includes one emergency assistance project funded from UNJP.

Technical cooperation delivery by fund type (values in USD million)

Funding Source	2007	2008	Budget Holder estimates for 2009 (adjusted)	Jan-Feb 2008	Jan-Feb 2009	Change
DFTC	227.7	227.7	155.1	52.3	63.6	22%
- TF/APO	8.6	6.6	6.7	4.0	6.6	65%
- TF/GCP	141.8	138.9	88.4	31.7	35.4	12%
- TF/GCPD	1.3	2.6	1.5	0.4	0.5	25%
- TF/UNO	40.5	42.6	0.3	0.2	0.1	-50%
- TF/UNTS	1.9	0.7	2.0	0.4	0.7	75%
- TF/UTF	1.1	2.4	35.6	7.6	8.5	12%
- Other Trust Funds	29.2	25.3	0.3	8.1	10.5	30%
- UNJP	0	3.5	13.2	0.0	1.0	n.a
- TeleFood ³	2.1	1.8	6.4	0.1	0.1	0%
- UNDP (all types)	3.6	3.3	0.7	-0.1	0.0	100%
Regular Programme	27.2	32.5	27.4	3.5	4.3	23%
- SPFS	2.5	1.4	0.1	0.2	0.3	50%
- TCP	24.8	31.1	27.3	3.4	4.0	18%
Total Technical Cooperation	254.9	260.2	182.5	55.9	67.8	21%

Technical cooperation delivery during the first two months is higher for all major operators.

Technical cooperation delivery by operator (in USD million)

Operators of Technical Cooperation	2007	2008	Budget Holder estimates for 2009 (adjusted)	Jan-Feb 2008	Jan-Feb 2009	Change
ROBs	38.9	29.1	24.4	7.3	8.2	12%
FAOR Offices	114.8	132.5	104.9	18.4	23.1	26%
TC Department	10.2	10.9	4.5	2.7	4.2	56%
Technical Departments	91.1	87.8	48.7	27.4	32.4	18%
Total Technical Cooperation	254.9	260.2	182.5	55.9	67.8	21%

Among the technical departments that are operating projects (global and interregional projects), AG is currently operating the largest programme (USD8.9 million), and ES, FI, FO, NR and TC are operating programmes in the range of USD 4-6 million each. Compared to 2008, delivery by AG is slower, while that of ES, FO and NR seem to be substantially higher.

³ Estimates for delivery of TeleFood assistance are not requested systematically and are therefore underestimated. Expected 2008 annual delivery for TeleFood projects can be obtained through linear extrapolation and would be in the order of USD 1.6 million.

Technical cooperation delivery by headquarters' Technical Departments
(in USD million)

Operators of Technical Cooperation	2007	2008	Budget Holder estimates for 2009 (adjusted)	Jan-Feb 2008	Jan-Feb 2009	Change
AG	29.4	29.4	13.2	10.8	8.9	-18%
ES	15.5	13.7	8.6	3.3	4.1	24%
FI	18.8	16.7	8.0	5.1	5.3	4%
FO	12.3	10.0	6.5	3.2	5.6	75%
GI	0.5	0.0	0.0	0.0	0.0	n.a
LEG	0.4	0.4	0.0	0.3	0.2	-33%
SD	2.7	0.0	0.0	0.0	0.0	n.a
NR	7.3	14.3	9.4	3.3	5.9	79%
KC	1.6	1.1	0.5	0.5	0%	1.6
TC	10.2	10.9	4.5	2.7	4.2	56%
Others (AF PBE OCD etc.)	3.9	1.8	1.9	1.0	2.0	100%
Grand Total	101.3	98.7	53.2	30.2	36.6	21%

From a **regional perspective**, all regions are showing a delivery increase compared to 2008 during the first two months. Delivery by FAOReps has increased (with the exception of the Latin America) while delivery by the regional offices is slowing down, with the exception of the Near East (this Regional Office operates the Saudi Arabia programme).

Technical cooperation delivery by region (value in USD million)

Delivery by region and operator	2007	2008	Budget Holder estimates for 2009 (adjusted)	Jan-Feb 2008	Jan-Feb 2009	Change
Africa	50.2	57.4	47.7	8.2	8.7	6%
- FAOR Offices	43.0	54.5	45.4	7.4	8.1	9%
- Regional Office RAFR	2.4	1.2	1.2	0.4	0.1	-75%
- RO Technical Depts	4.8	1.7	1.1	0.4	0.6	50%
Asia	43.6	42.7	32.0	9.1	11.9	31%
- FAOR Offices	33.1	35.4	27.2	7.2	10.1	40%
- Regional Office RAPR	9.3	5.6	3.9	1.3	1.1	-15%
- RO Technical Depts	1.2	1.7	1.0	0.6	0.6	0%
Latin America	35.9	37.5	26.4	4.6	4.7	2%
- FAOR Offices	31.8	33.7	22.9	3.7	3.7	0%
- Regional Office RLCR	2.5	2.7	1.8	0.6	0.6	0%
- RO Technical Depts	1.5	1.1	1.8	0.3	0.5	67%
Near East	18.1	18.7	19.0	3.1	5.2	68%
- FAOR Offices	6.3	5.1	5.9	-0.3	0.8	367%
- Regional Office RNER	11.7	13.4	12.5	3.3	4.3	30%
- RO Technical Depts	0.1	0.2	0.6	0.1	0.1	0%
Europe	5.9	5.3	4.2	0.6	0.8	33%
- FAOR Offices	0.6	3.8	3.6	0.3	0.5	67%
- Regional Office REUR	5.2	1.5	0.6	0.3	0.3	0%
- RO Technical Depts	0.0	0.0	0.0	0.0	0.0	n.a
HQ	101.3	98.7	53.2	30.2	36.6	21%
Total Technical Cooperation	254.9	260.2	182.5	55.9	67.8	21%

Conclusions

- The year 2009 has started with an increase in the delivery for both technical cooperation and emergency/rehabilitation compared to 2008. At this stage, it is premature to draw any conclusions. However this trend is expected to continue considering the favourable situation of available budgets.

TCOM, 12 March 2009

List of approved projects, with budget above US\$ 1million - Total assistance (Jan-Feb 2009)				
Fund Group	Approval Year and Month	Project Symbol	Project Title	New Approvals
TECHNICAL COOPERATION				
TF	2008-09	FBPP/GLO/002/BEL	FAO/Belgium Partnership Programme 2008-2011 in the Field of Knowledge Management and Gender - Capitalisation des outils en matière de sécurité alimentaire et genre	7,069,671
TF/UTF	2008-09	UTF /IVC/028/IVC	Projet d'appui institutionnel et multisectorielle de la BAD à la sortie de crise (AIMSC): Appui aux organisations de base en charge de l'appui aux groupes vulnérables	2,802,380
TF/GCP	2008-11	GCP /CPR/038/EC	Supporting policy, legal and institutional frameworks for the reform of forest tenure in China's collective forests and promoting knowledge exchange	2,701,370
TF/GCP	2008-11	GCP /ERI/013/EC	Assistance to agricultural statistics capacity building and national census of agriculture and livestock of Eritrea	2,305,553
TF/GCP	2009-01	GCP /AFG/056/GER	Strengthening coordination and capacity for integrated food security and livelihoods programming in Afghanistan	2,257,018
TF/GCP	2008-12	GCP /SIL/032/GER	SEED ENTERPRISE ENHANCEMENT AND DEVELOPMENT (SEED) PROJECT IN SIERRA LEONE	2,200,001
TF/GCP	2008-12	GCP /PER/044/SPA	Apoyo a la Rehabilitación Productiva de los Sectores Agropecuario y Pesquero en Provincias Afectadas por el Terremoto del 15 de Agosto 2007	2,100,000
TF	2008-11	UNJP/NAM/013/SPA	Setting things right -towards equality and equity (MDGF-1710)	1,997,504
TF/GCP	2008-12	GCP /SEN/061/SPA	Promotion de l'utilisation d'une eau de qualité en appui à l'agriculture urbaine et péri-urbaine	1,053,293

EMERGENCY				
TF	2009-01	OSRO/SUD/902/CHF	Support to sustainable reintegration and improvement of basic food security for 100 000 households including; returnees (refugees and IDPs), host communities and other vulnerable resident population in southern Sudan	4,499,999
TF	2008-10	OSRO/IRQ/707/UDG	Strengthening the capacity of the Iraqi Veterinary Services for control of Zoonotic and Transboundary Animal Diseases	2,400,000
TF	2009-01	OSRO/MYA/901/JPN	Restoration of food security and agriculture-based livelihoods in the most Cyclone Nargis-affected areas of the Ayeyarwady Delta of Myanmar.	2,150,610
TF/GCP	2009-02	GCP /SOM/041/MUL	Food Security & Nutrition Analysis Unit for Somalia (FSNAU)	1,300,000
TF	2009-02	OSRO/HAI/902/EC	Appui à l'amélioration de la sécurité alimentaire et nutritionnelle des familles vulnérables et/ou affectées par les désastres naturels de 2008 dans le Sud de Haïti.	1,278,875
TF	2009-01	OSRO/RAF/902/USA	Emergency Assistance to Vulnerable Households Affected by Soaring of Food Prices and Low 2007/2008 Agricultural Production in West Africa.	1,050,911
		Others		14,302,356
		Revisions (positive)		18,213,262
		GRAND TOTAL		69,682,803

Analysis of High Delivery at the beginning of 2009

Total delivery up to February 2009 was USD 138 million. This is an increase of USD34.1 million compared to the same stage in 2008. Emergency delivery has increased by 22.1 million while technical cooperation has increased by USD12 million.

The following is an analysis of this increase

4. **Accounting Adjustments** – Of the USD34.1 million increase, a total of USD 10.1 million is due to accounting adjustments from 2008 to the 2009
5. **ISFP** - ISFP Projects have delivered **USD 10.8 million** up to February 2009. This accounts for **50%** of the increase in Emergency delivery and about **30%** of the increase in Total Field Programme delivery. In particular, ISFP Projects in **Haiti** and **Somalia** have each delivered over **USD 1 million**. There was no ISFP delivery at the same stage in 2008.
6. **Non-ISFP Emergency delivery** - the increase in non-ISFP Emergency delivery compared to the same period in 2008 was mainly due to projects in **Sudan, Georgia** and **Timor-Leste** which had increases of more than **USD 1 million each**. In Sudan, 4 projects have had a total increase of **USD 8.4 million (USD 9.4million compared to USD 0.9 million)**. 2 of these projects are large capacity building projects while the other 2 are dealing with resettlement of refugees and Internally Displaced Persons (IDPs).

Symbol ⁴	Title	Delivery Feb 2008	Delivery Feb 2009	Percentage Increase	Recipient
OSRO/SUD/623/MUL	Sudan Productive Capacity Recovery Programme (SPCRP) - Capacity Building Component (SPCRP) in Southern Sudan	671,887	4,256,613	533.5%	Sudan
OSRO/GEO/802/USA	Emergency Supply of Animal Feed to Conflict Affected Small-Scale Farming Households and Support to the Agriculture Sector and Food Security Cluster Coordination.	0	2,948,306	n.a	Georgia, Republic of
OSRO/SUD/902/CHF	Support to sustainable reintegration and improvement of basic food security for 100 000 households including; returnees (refugees and IDPs), host communities and other vulnerable resident population in southern Sudan	0	1,968,334	n.a	Sudan
OSRO/SUD/622/MUL	Sudan Productive Capacity Recovery Programme (SPCRP) - Capacity Building Component (SPCRP) in Northern Sudan	235,135	1,961,607	734.2%	Sudan
OSRO/SUD/820/USA	Enhancing Adaptive Livelihood and Coping Mechanisms of Conflict Affected Populations in Darfur	0	1,290,277	n.a	Sudan
OSRO/TIM/701/AUL	Biosecurity Strengthening Program (BSP) for Timor-Leste	21,758	1,103,602	4972.1%	Timor-Leste, Democratic Republic of

⁴ The Georgia project was approved in October 2008. The 2 Sudan projects with no delivery in 2008 were approved after August 2008.

7. Technical Cooperation - **50%** of technical cooperation projects have registered an increase in delivery up to February 2009 compared to the same stage in 2008. 2 UTF projects in **Afghanistan**, 1 UTF project in **Saudia Arabia** and a GCP project in **Bangladesh** have already delivered over USD 800,000 as at February 2009. In addition 3 Interregional projects have delivered over USD 800,000 each.

Symbol	Title	Delivery Feb 2008	Delivery Feb 2009	Percentage Increase	Recipient
UTF /AFG/035/AFG	Emergency Irrigation Rehabilitation Project (EIRP)	857,452	1,002,953	17.0%	Afghanistan
GCP /AFG/045/EC	Variety and Seed Industry Development Project - Phase II of GCP/AFG/018/EC	563,813	1,287,929	128.4%	Afghanistan
UTF /SAU/031/SAU	Programme Coordination Unit	819,696	1,216,247	48.4%	Saudi Arabia, Kingdom of
GCP /BGD/037/MUL	National Food Policy Capacity Strengthening Programme (NFPCSP) USA - (Phase II of GCP/BGD/034/MUL)	0	888,989	n.a	Bangladesh
GCP /INT/812/MUL	National Forest Programme Facility	2,022,109	2,037,323	0.8%	Inter Regional
GCP /INT/963/EC	IGAD Livestock Policy Initiative	620,796	872,153	40.5%	Inter Regional
GCP /GLO/243/EC	EC/FAO programme on linking information and decision making to improve food security	0	820,930	n.a	Global

Definitions for Sources and Application Analysis

The Field Programme Source and Application Analysis (FPSAA) permits to analyse the dynamics of approvals, revisions and delivery within a reporting period, and keep track of accounting adjustments that are not related to the actual approval and delivery process.

The FPSAA provides information on the evolution of budget resources available for delivery, namely the resources available at the beginning of the reporting period, the increase in these resources through new budgets (new approvals or upwards budget revisions), the utilization of these budgets through delivery and the remaining budgets available for delivery at the time of reporting.

Further details can be obtained on-line through FPMIS.

The revised Sources and Applications report is intended to provide a clear picture of the resources "really" available for delivery in any given year. The main difference with the previous version is that balances against closed projects are NOT carried forward beyond the closure year.

The "Core" figures - i.e. New Approvals, Delivery, Budget Revisions and Equalization remain the same in both reports. The revised methodology of calculating the derived figures i.e. Balances and Carry Forward, now takes into consideration the year of project closure. This is because these balances become effectively "unavailable" for delivery immediately after the project is closed even if the budgets have not been equalized. Previously these balances were carried along and, for management purposes, the unequalized balances were all grouped under "Of Which Closed" in the current financial year only (i.e. 2009) to arrive at a net opening balance. As a result, in the revised report, the Opening Balances (and consequently Carry Forward values) are now comparable across years. It should be noted, however, that in the DWH unequalized budgets continue to be shown as available.

Opening Balance: the amount of approved budgets available for delivery at the beginning of the reporting period. The approved budgets are not synonymous with the cash balance of funds deposited but represent the commitment of donors to fund projects or programme activities for the field programme. The Opening Balance at the beginning of a reporting period (year) is identical with the Carry Forward at the end of the preceding reporting period.

New Approvals: the total budget of all projects newly approved during the reporting period, as reported by the DataWareHouse (DWH) at the time of data retrieval (stated in the title of the table). This figure does not include commitments by donors for projects that have not yet entered the DWH.

Re-activated Closed Projects: Budgets that were not considered available in a prior period (year) due to project closure but that have been reactivated as result of a financial transaction after the project was declared inactive or operationally closed. The amount shown is equivalent to the amount that corresponds to the amount of the financial transaction that appears as delivery from "closed" projects.

Revisions (increase): budgets revisions, as reported in the DWH, during the reporting period that increase the approved project budgets.

Delivery: cumulative actual expenditure plus hard and soft commitment during the reporting period. The same amount is reported in the monthly delivery statistics.

Net increase/decrease during reporting period: total net effect on the budget available for delivery and is the difference between new approvals plus revisions and budgets from re-activated closed projects minus delivery. It can be negative or positive and requires further analysis as it can be caused by many factors (e.g. inability to deliver approved budgets, implementation of approved budgets faster than new approvals, etc.). Calculated as: New Approvals + Revisions (increase) + Re-activated Closed Projects – Delivery.

Equalized budgets: budget reductions resulting from the equalization process at the time when a project is financially closed; as a result of this process, the budgets are set equal to the total delivery, and the remaining budget balances are cancelled.

Closing Balance: $\text{Opening Balance} + \text{Net increase/decrease during period} + \text{Accounting Adjustments}$

Activities Completed: available approved budgets of projects for which the budget holder has defined that their activities are completed. During the year the status of projects defined “activities completed” should change status to be operationally (OC) and subsequently financially closed (FC). Ideally, the amount relating to Activities Completed should be zero but can be positive or negative.

Closed Unequalized: budgets in excess of total delivery for projects closed during the specific period (year) and for which no formal equalization has been performed. Normally the value under this item should be nil.

Closed to be Claimed: deficits in budget for projects closed during the specific period (year), i.e. total delivery exceeding total donor commitment.

Carry Forward: The Carry Forward at the end of the current reporting period is equal to the Opening Balance at the beginning of the next reporting period (year). Calculated as $\text{Closing Budget} - \text{Activities Completed} + \text{Closed Unequalized} + \text{To be claimed}$.