



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  
الغذية والزراعة  
للأمم المتحدة

## CONFERENCE

### Fortieth Session

Rome, 3-8 July 2017

### Commissary Accounts - Staff Welfare Fund (Draft Resolution)

#### Executive Summary

At its 167<sup>th</sup> Session (29-31 May 2017), the Finance Committee supported the revised funding mechanism proposed for the Staff Welfare Fund (SWF) whereby part of the annual net profits of the Commissary would be provided to the SWF after an adequate share of the profits had been transferred to the Commissary Reserve Fund, noting that this would help safeguard the sustainability of the Commissary.

The Finance Committee endorsed the draft Conference Resolution set out in this document and submitted it to the Conference for approval at its 40<sup>th</sup> Session.

#### Suggested action by the Conference

The Conference is invited to adopt the draft resolution set out in this document.

*Queries on this document may be addressed to:*

Ms Fernanda Guerrieri  
Assistant Director-General  
Corporate Services Department  
Tel: +39 06570 55341

*This document can be accessed using the Quick Response Code on this page;  
an FAO initiative to minimize its environmental impact and promote greener communications.  
Other documents can be consulted at [www.fao.org](http://www.fao.org)*



mt699

1. At its 167<sup>th</sup> Session (29-31 May 2017), the Finance Committee supported the proposal to revise the funding mechanism of the Staff Welfare Fund (SWF) and in particular to abolish the current mechanism under which the Commissary is required to transfer one per cent of its annual sales to the Staff Welfare Fund.
2. Having reviewed the proposal, the Finance Committee:
  - a) *supported the revised funding mechanism proposed for the Staff Welfare Fund whereby part of the annual net profits of the Commissary would be provided to the SWF after an adequate share of the profits had been transferred to the Commissary Reserve Fund, noting that this would help safeguard the sustainability of the Commissary;*
  - b) *agreed with the special procedure that could be followed for presentation of the draft Conference Resolution to the upcoming Conference given the current exceptional financial circumstances of the Commissary;*
  - c) *endorsed the draft Conference Resolution presented in Appendix 2 of FC 167/13 and submitted it to the Conference for approval at its 40<sup>th</sup> Session in July 2017, noting that the reference in the draft Conference Resolution to "net income" should be replaced by "net profits";*
3. The Finance Committee further *"encouraged the holding of informal consultations by the Independent Chairperson of the Council with Chairs of regional groups prior to the Conference Session on this subject"*. These consultations were held on 6 June 2017.
4. The Conference is invited to adopt the following Resolution:

### ***Commissary Accounts - Staff Welfare Fund***

#### **THE CONFERENCE,**

**Having considered** the report of the Hundred-and-Sixty-Seventh Session of the Finance Committee held from 29 to 31 May 2017;

**Recognizing** that, in consideration of the commercial nature of the Commissary operations, undertaken at no cost to the Organization, and the intrinsic risk that Conference resolution 18/93 alinea 3 on the funding of the Staff Welfare Fund poses to the financial health of the Organization;

#### **Decides** that:

1. the authority to determine the amounts for distribution to funds and reserves, as well as the transfer of part of the annual net profits of the Commissary to the Staff Welfare Fund, shall be vested in the Director-General who will report on such matters to the Finance Committee;
2. accountability for respective decisions shall be preserved by continuing to present the annual accounts to governing bodies, with particular reference to the Finance Committee without delaying their presentation for audit; and
3. the present Resolution supersedes Resolution 18/93.

(Adopted on ... July 2017)