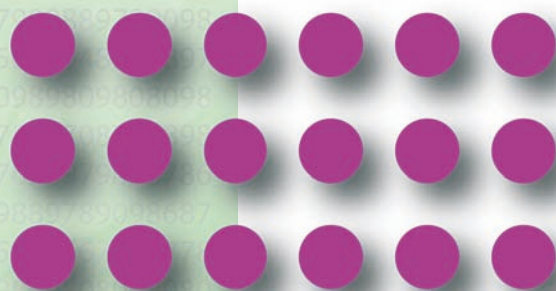
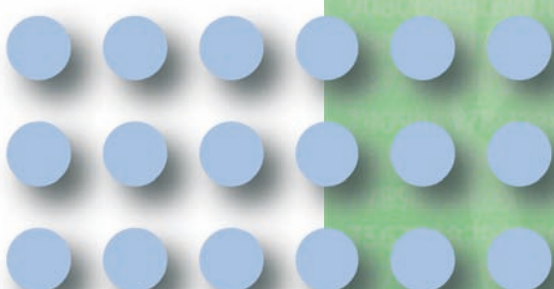


2004–2005

# Audited Accounts **FAO**









# Audited Accounts **FAO**

## 2004–2005

FOOD AND AGRICULTURE ORGANIZATION  
OF THE UNITED NATIONS  
Rome, 2006



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FINANCIAL STATEMENTS 2004-05

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**PART B**

**Report of the External Auditor**

*The Report of the External Auditor is available under Conference document reference number C 2007/5 B*







**FINANCIAL STATEMENTS 2004-05**

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**Opinion of the External Auditor**

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I have audited the accompanying financial statements, comprising Statements I to IV, Schedule 1, Annexes I and II and the supporting Notes 1 to 26 of the Food and Agriculture Organization of the United Nations for the financial period ended 31 December 2005. These financial statements are the responsibility of the Director-General. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, Specialized Agencies and the International Atomic Energy Agency and conforming with International Standards on Auditing. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures of the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Director-General, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for the audit opinion.

In my opinion, these financial statements present fairly, in all respects, the financial position as at 31 December 2005 and the results of operations and cash flows for the period then ended in accordance with Food and Agriculture Organization's stated accounting policies set out in Note 2 of the financial statements, which were applied on a basis consistent with that of the preceding financial period.

Based on a test check, in my opinion, the transactions of Food and Agriculture Organization have, in all significant aspects, been in accordance with the Financial Regulations and Legislative Authority.

In accordance with Article 12.9 of the Financial Regulations, I have also issued a long-form report on my audit of the Food and Agriculture Organization's financial statements.



**(Vijayendra N. Kaul)**

**Comptroller & Auditor General of India**

**External Auditor**

**7 September 2006**



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## Certification of Financial Statements

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**The amounts shown in the statements properly reflect the recorded financial transactions for the period:**



Khalid Mehboob  
Assistant Director-General, a.i.  
Administration and Finance Department

**Approved:**



Jacques Diouf  
Director-General

*August 2006*



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Statement I: Income and Expenditure and Changes in Reserves and Fund Balances**

**For the biennium ended 31 December 2005**

(US\$ '000)

Notes	Funds		Total	
	General and Related	Trust and UNDP	2004-05	2002-03
<b>INCOME</b>				
Assessment on Member Nations 3	793,309		793,309	644,890
Voluntary contributions 4	39,927	619,116	659,043	624,007
Funds received under inter-organisational arrangement 5	1,559	15,696	17,255	28,516
Jointly financed activities 6	26,671		26,671	29,434
Miscellaneous 7	7,451	14,319	21,770	14,238
Investment income – long-term	36,643		36,643	10,080
Information Products Revolving Fund	1,440		1,440	1,526
Government cash contributions	1,796		1,796	2,091
Net other sundry income	13,109		13,109	8,839
Gain/(loss) on Exchange Difference	(14,762)		(14,762)	51,312
<b>TOTAL INCOME</b>	<b>907,143</b>	<b>649,131</b>	<b>1,556,274</b>	<b>1,414,933</b>
<b>EXPENDITURE</b>				
Regular Programme 8	908,294		908,294	779,855
Projects 8		634,812	634,812	619,955
<b>TOTAL EXPENDITURE</b>	<b>908,294</b>	<b>634,812</b>	<b>1,543,106</b>	<b>1,399,810</b>
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>(1,151)</b>	<b>14,319</b>	<b>13,168</b>	<b>15,123</b>
Amortisation of staff related liabilities 9	(32,963)		(32,963)	(23,776)
Staff related schemes 20	(36,643)		(36,643)	(10,080)
Provision for contributions 10	(72,036)		(72,036)	64,599
Provision for investments 11	80	(3)	77	(385)
Deferred Income 18	26,468		26,468	15,697
Arrears Allocation 19	31,270		31,270	(41,382)
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>(84,975)</b>	<b>14,316</b>	<b>(70,659)</b>	<b>19,796</b>
Transfer of Interest to Donor Accounts 15		(14,319)	(14,319)	(6,716)
Transfers from/(to) Reserves				
Working Capital Fund 21	25,197		25,197	(8,360)
Special Reserve Account 22	25,079		25,079	(16,548)
Fund balances, beginning of period as previously reported	(90,133)	(305)	(90,438)	(75,419)
Change in accounting policy with respect to the recognition of jointly financed activities income	0		0	(3,191)
Fund balances, beginning of period	(90,133)	(305)	(90,438)	(78,610)
<b>FUND BALANCES, END OF PERIOD</b>	<b>(124,832)</b>	<b>(308)</b>	<b>(125,140)</b>	<b>(90,438)</b>

The accompanying notes are an integral part of the financial statements



## Statement II: Assets, Liabilities, Reserves and Fund Balances

As at 31 December 2005

(US\$ '000)

Notes	Funds		Total	
	General and Related	Trust and UNDP	2004-05	2002-03
ASSETS				
Cash and term deposits	30,838	80,022	110,860	202,982
Investments – short term11	0	368,368	368,368	291,696
Contributions receivable12	179,043	13,815	192,858	118,388
Less: Provision for delays of contributions10	(179,043)		(179,043)	(109,064)
Accounts receivable13	48,607		48,607	44,087
Investments – long-term11	208,746		208,746	160,611
TOTAL ASSETS	288,191	462,205	750,396	708,700
LIABILITIES				
Bank Loans14	71,000		71,000	0
Contributions received in advance15	58	384,304	384,362	352,250
Unliquidated Obligations16	35,783	66,788	102,571	87,401
Accounts payable17	20,948		20,948	25,695
Deferred Income18	35,556		35,556	62,024
Arrears Allocation19	0		0	41,382
Staff related schemes20	239,566		239,566	182,182
TOTAL LIABILITIES	402,911	451,092	854,003	750,934
RESERVES AND FUND BALANCES				
Working Capital Fund21	0		0	25,183
Special Reserve Account22	0		0	23,021
Capital Expenditure Account23	10,112		10,112	
Special Fund for Emergency and Rehabilitation Activities24		11,421	11,421	
Fund Balances, end of period	(124,832)	(308)	(125,140)	(90,438)
TOTAL RESERVES AND FUND BALANCES	(114,720)	11,113	(103,607)	(42,234)
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	288,191	462,205	750,396	708,700

The accompanying notes are an integral part of the financial statements



## Statement III: Cash Flow

For the biennium ending 31 December 2005

(US\$ '000)

	2004-05	2002-03
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net excess (shortfall) of income over expenditure (Statement I – General and Related Funds)	(84,975)	13,385
Adjustment for:		
Interest receivable	(2,854)	(12,592)
Provision for investments	(80)	80
Restatement of opening deficit		(3,191)
	(87,909)	(2,318)
(Increase)/Decrease in contributions receivable	(74,470)	145,279
Increase/(Decrease) in provision for contributions	69,979	(71,950)
(Increase)/Decrease in accounts receivable	(5,012)	5,411
Increase in contributions received in advance	32,112	101,925
Increase/(Decrease) in unliquidated obligations	15,170	(70,040)
(Decrease) in deferred income	(26,468)	(15,697)
(Decrease) in accounts payable	(4,747)	(22,455)
Increase in staff related schemes	57,384	16,550
(Decrease)/Increase in arrears allocation	(41,382)	41,382
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(65,343)</b>	<b>128,087</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in investments – short-term	(76,595)	(292,081)
(Increase)/Decrease in investments – long-term	(48,135)	8,925
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(124,730)</b>	<b>(283,156)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Working Capital Fund	14	1,341
Increase in Special Reserve Account	2,058	6,016
Increase in Special Fund for Emergency and Rehabilitation Activities	11,421	
Increase in Capital Expenditure Account	10,112	
Increase in loans	71,000	0
Interest Received	3,680	12,817
Loan Interest Paid	(334)	0
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>97,951</b>	<b>20,174</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>(92,122)</b>	<b>(134,895)</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>202,982</b>	<b>337,877</b>
<b>CASH AT END OF PERIOD</b>	<b>110,860</b>	<b>202,982</b>

The accompanying notes are an integral part of the financial statements.



## FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

## Statement IV: Status of Regular Programme Appropriations

For the biennium ended 31 December 2005

(US\$ '000)

Chapter	Net Budget <sup>1</sup>	Actual Other Income <sup>2</sup>	Transfers <sup>3</sup>	Deferred Income <sup>4</sup>	Adjusted Budget	Actual Expenditure	Currency Variance <sup>5</sup>	Budget Rate Expenditure <sup>6</sup>	Budget vs. Actual Variance <sup>7</sup>
1 General Policy and Direction	67,355	2,600	(300)		69,655	71,013	(1,435)	69,578	77
2 Technical and Economic Programme	329,136	12,974	(2,540)		339,570	346,847	(7,456)	339,391	179
3 Development Support Programme	140,773	52,626	1,540		194,939	200,260	(5,330)	194,930	9
4 Technical Cooperation Programme	103,027	52	0	(36,415)	66,664	67,513	(849)	66,664	0
5 Support Services	59,415	7,956	(50)		67,321	69,032	(1,720)	67,312	9
6 Common Services	48,794	5,317	1,350		55,461	57,342	(1,885)	55,457	4
7 Contingencies	600	0	0		600	17	(3)	14	586
<b>TOTAL EFFECTIVE BUDGET</b>	<b>749,100</b>	<b>81,525</b>	<b>0</b>	<b>(36,415)</b>	<b>794,210</b>	<b>812,024</b>	<b>(18,678)</b>	<b>793,346</b>	<b>864</b>
8 Transfer to Tax Equalisation Fund	96,960		(96,960)		0	0			0
9 One-Time Expenditure funded from Arrears	41,382		0		41,382	31,270	0	31,270	10,112
	<b>887,442</b>	<b>81,525</b>	<b>(96,960)</b>	<b>(36,415)</b>	<b>835,592</b>	<b>843,294</b>	<b>(18,678)</b>	<b>824,616</b>	<b>10,976</b>

The accompanying notes are an integral part of the financial statement.

<sup>1</sup> Conference resolution 10/03 appropriation<sup>2</sup> Actual Other Income at UN rate (PWB 04-05 budgeted Other Income was \$74,235 million)<sup>3</sup> Finance Committee approved transfers (FC 113/2)<sup>4</sup> TCP 04-05 appropriation deferred until 06-07 (at budget rate)<sup>5</sup> Currency Variance represents expenditures at budget rate vs. UN rate<sup>6</sup> Budget rate expenditure represents actual expenditure adjusted by currency variance<sup>7</sup> Variance between adjusted budget and budget expenditure



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## Notes to the Financial Statements

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### *1. The Organization*

The Food and Agriculture Organization (the Organization), was established on 16 October 1945. Its headquarters are in Rome, Italy. The purpose of the Organization is to raise levels of nutrition and standards of living; secure improvements in the efficiency of the production and distribution of all food and agricultural products; better the condition of rural populations; and thus contribute toward an expanding world economy and ensure humanity's freedom from hunger.

The Organization's Programme of Work is approved by the Conference of Member Nations. The related budget appropriations voted are financed by annual contributions based on an assessment on Member Nations and Associate Members by the Conference. Unutilised appropriations at the close of the financial period are cancelled, except for the Technical Cooperation Programme (TCP) appropriation which remains available for obligations during the financial period following that for which the funds were voted.

Voluntary contributions for special purposes, which are consistent with the policies, aims and activities of the Organization, may be accepted by the Director-General and Trust and Special Funds established accordingly. In addition, the Organization receives funds under an inter-organizational arrangement with the United Nations Development Programme (UNDP) to participate as an executing agency for UNDP technical cooperation projects or act as implementing agency for UNDP funded projects executed by other executing agencies. Voluntary contributions and funds received include payment towards recovering certain costs relating to technical, managerial and administrative services (support costs) which are a necessary part of extra-budgetary projects.

In agreement with the main multilateral financing agencies for agriculture, the Organization provides investment support services under jointly financed missions to individual countries, for which it receives reimbursement of an agreed share of costs.

### *2. Summary of Significant Accounting Policies*

#### **Financial Period**

The financial period is a biennium consisting of two consecutive calendar years.

#### **Basis of Preparation**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Income**

Income is recognised when the Organization becomes entitled to it with the exception of voluntary contributions, funds received under inter-organizational arrangement and jointly financed activities. This income is recognised proportionately with the degree of project activity completed as measured in terms of expenditure.



**Expenditure**

Expenditure is recognised as costs are incurred.

**Equipment, Furniture and Vehicles**

The cost of equipment, furniture and vehicles is fully expensed in the year of purchase.

**Reporting Currency**

The financial statements are expressed in US dollars, the functional currency of the Organization.

**Foreign currencies**

Income and expenditure in currencies other than US dollars are translated into US dollars at the UN operational rates of exchange which approximate the market rate in effect at the date of the underlying transactions. Cash and term deposits in currencies other than US dollars are translated at the UN operational rate of exchange in effect at 31 December 2005. Exchange differences are taken to the income and expenditure account and transferred to the Special Reserve Account.

The currency variance on Headquarters staff costs arising from differences between the budget rate and UN operational rates of exchange is no longer transferred to the Special Reserve Account from 1 January 2004.

**Investments**

Investments are stated at the lower of cost and market value determined on a total portfolio basis.

**End of Service and Retirement Benefits**

The end of service and retirement benefits expense rates and liabilities are determined by actuarial valuation. Current service costs and amortisation of unrecorded liabilities are charged to expenditure on an accruals basis. The resultant unrecorded liability for After Service Medical Coverage is amortised over 30 years commencing 1998 and other end of service schemes are amortised over 15 years commencing 1998.

**Rounding Policy**

The financial statements are expressed in thousands of US dollars.



**Consolidation Policy****- FAO Programme of Work**

The consolidated financial statements are reported by segment consisting of (a) General and Related Funds and (b) Trust and UNDP Funds.

**- FAO Credit Union**

Conference Resolution 37/75 stipulated that the Credit Union is an integral part of FAO and provided that (a) the Credit Union funds and net assets be placed in a special account administered separately from all other funds and assets administered by FAO; (b) all costs incurred in the operation of the Credit Union and any financial liabilities arising out of the Credit Union activities are chargeable to the Credit Union funds and assets and (c) the statutes of the Credit Union contain provisions safeguarding the position of the Organization. These principles were duly incorporated in the statutes of the Credit Union. The Credit Union audited financial statements are not consolidated but separately presented to the Finance Committee.

**- FAO Commissary**

The operations and funds of the Commissary are, defined by Article XIII, Section 27, of the Headquarters Agreement which recognises that such officials enjoy (i) the right to import, free of duty and other levies, prohibitions and restrictions on imports and (ii) through the medium of FAO, reasonable quantities, to be agreed upon in accordance with a procedure to be established between the Italian Government and FAO of foodstuffs and other articles for personal use and consumption and not for gift or sale. The Commissary audited financial statements are not consolidated but separately presented to the Finance Committee.

**3. Assessment on Member Nations**

	2004-05	2002-03
Regular Programme assessments	782,009	648,063
After Service Medical Coverage assessment	14,100	
less: Amount in respect of Tax Equalisation Fund	(2,800)	(3,000)
Discounts on Contributions received	0	(173)
	<b>793,309</b>	<b>644,890</b>

Assessments on Member Nations in 2004-05 were assessed for the first time using the split assessments arrangement approved by Conference, CR 11/03 in 2003. Based on total assessments expressed in US Dollars, the split of assessments in US Dollars and Euro for the period was approximately 45% and 55%, respectively.

In 2003 Conference also approved (CR 7/03) an additional assessment of \$14.1 million towards funding the amortization of the After-service Medical Coverage.



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**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**


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**4. Voluntary Contributions**

	2004-05	2002-03
(a) <b>General and Related Funds</b>		
Support Costs	39,927	29,282
(b) <b>Trust and UNDP Funds</b>		
Donor countries	487,051	346,797
Donor institutions	77,562	215,479
Multidonor projects	54,503	32,449
	619,116	594,725
	<b>659,043</b>	<b>624,007</b>

**5. Funds Received under Inter-Organizational Arrangement**

	2004-05	2002-03
(a) <b>General and Related Funds</b>		
Support Costs	1,559	3,286
(b) <b>Trust and UNDP Funds</b>		
Funds received under inter-organizational arrangement	15,696	25,230
	<b>17,255</b>	<b>28,516</b>

**6. Jointly Financed Activities**

	2004-05	2002-03
FAO/World Bank Cooperative Programme	21,454	22,863
African Development Bank	1,740	1,591
Asian Development Bank	360	658
International Fund for Agricultural Development	1,317	2,296
European Bank for Reconstruction	620	520
Others	1,180	1,506
	<b>26,671</b>	<b>29,434</b>

**7. Miscellaneous Income**

	2004-05	2002-03
(a) <b>General and Related Funds</b>		
Bank and term deposit interest	5,062	4,399
Short-term investment income		1,477
Lapse of Accrued liabilities	3,450	5,048
Bank Charges	(1,875)	(2,562)
Prior Period	130	(1,371)
Other	684	531
	<b>7,451</b>	<b>7,522</b>
(b) <b>Trust and UNDP Funds</b>		
Bank and term deposit interest	258	1,061
Short-term investment income	14,061	5,655
	<b>14,319</b>	<b>6,716</b>
	<b>21,770</b>	<b>14,238</b>



## 8. Expenditure

	2004-05	2002-03
(a) <b>General and Related Funds:</b>		
Staff salaries	571,352	468,821
Other human resources	93,207	88,291
Official travel	64,937	63,672
General operating expenses	55,637	47,483
Purchase of equipment	54,601	56,061
Training	12,581	9,210
Contracts	44,445	31,623
Sundries	11,534	14,694
	<b>908,294</b>	<b>779,855</b>
(b) <b>Trust and UNDP Funds</b>		
Staff salaries	132,916	133,347
Other human resources	92,097	76,685
Official travel	63,227	57,468
General operating expenses	36,129	40,255
Purchase of equipment	184,458	179,426
Training	21,037	22,439
Contracts	99,498	105,963
Sundries	5,450	4,372
	<b>634,812</b>	<b>619,955</b>
	<b>1,543,106</b>	<b>1,399,810</b>

The expenditure of the General and Related Funds consists of the following funds and activities:

	2004-05	2002-03
<b>Regular Programme budget</b>	812,544	696,374
TCP prior appropriation	62,025	77,721
Arrears Allocation	31,270	3,530
Information Products Revolving Fund	1,440	1,526
Sundry	1,015	704
	<b>908,294</b>	<b>779,855</b>



## 9. Amortisation of Staff Related Liabilities

	2004-05	2002-03
After Service Medical Coverage	29,986	14,342
Terminal Payments	2,977	9,434
	<b>32,963</b>	<b>23,776</b>

The amortisation of the after service medical coverage liability for past service is over a period of 30 years commencing 1998, and amounts are determined by actuarial valuation. The amortisation of the terminal payments reflects amounts incurred in excess of the recommended rate of contribution determined by actuarial valuation.

## 10. Provision for Contributions

	2004-05	2002-03
<b>At 1 January 2004 and 2002</b>	<b>109,064</b>	<b>181,014</b>
Assessment on Member Nations	71,604	(65,422)
Government Cash Contributions	432	823
	<b>72,036</b>	<b>(64,599)</b>
Special Reserve Account and Working Capital Fund	(2,057)	(7,351)
<b>At 31 December 2005 and 2003</b>	<b>179,043</b>	<b>109,064</b>

The provision for contributions is set at 100% in accordance with the practice of the UN system.

## 11. Investments

	2004-05	2002-03
<b>(a) General and Related Funds</b>		
Short-Term Investments		60,398
<b>(b) Trust and UNDP Funds</b>		
Short-Term Investments	368,368	231,298
<b>Total Short-Term Investments</b>	<b>368,368</b>	<b>291,696</b>
<b>Long-Term Investments earmarked for:</b>		
Compensation Plan	16,589	16,495
Separation Payments Scheme	77,875	76,976
After-Service Medical Coverage	114,282	67,140
<b>Total Long-Term Investments</b>	<b>208,746</b>	<b>160,611</b>
<b>Total Investments</b>	<b>577,114</b>	<b>452,307</b>

Investment securities are held by the custodian, Northern Trust Company, and are managed by two investment managers: Wellington and Western. In 2002-03 cash and deposits were converted into a portfolio of short-term bonds and other liquid assets. Short-term investments are also held with the Bank for International Settlements (BIS). The short-term portfolio is a trading portfolio and securities are not necessarily held to maturity date.



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

The cost and the market value of the short-term investments at 31 December 2005 amounted to \$368.4 million (2002-03 - \$292.1 million) and \$368.1 million (2002-03 - \$291.7 million) respectively. The unrealized loss of \$0.3 million was provided for in Statement I, in the provision for investments.

Earned long-term investment income of \$36.6 million (2002-03 - \$10.1 million) was applied to Staff Related Schemes in 2004-05. The market value of the long-term investments at 31 December 2005 was \$230.3 million (2002-03 - \$185.6 million). The long-term portfolio comprises approximately 50% of equities and 50% of fixed income (in Euro).

An additional assessment of \$14.1 million was assessed in 2004-05 towards funding the amortization of the After-service Medical Coverage. Amounts received from the additional assessment are allocated to the long-term investment portfolio in the proportion of overall Member Nation assessments actually paid.

**12. Contributions Receivable**

	2004-05	2002-03
(a) <b>General and Related Funds</b>		
Assessment on Member Nations	169,361	97,695
Government cash contributions	7,099	6,667
Working Capital Fund	135	195
Special Reserve Account	2,448	4,507
	<b>179,043</b>	<b>109,064</b>
(b) <b>Trust and UNDP Funds</b>		
Voluntary Contributions	5,972	3,950
Funds receivable under inter-organisational arrangement	7,843	5,374
	<b>13,815</b>	<b>9,324</b>
	<b>192,858</b>	<b>118,388</b>

Outstanding assessments on Member Nations relating to 2004-05 and prior amounting to US\$53.4 million and Euro 26.9 million were received in the first two months of 2006.

**13. Accounts Receivable**

	2004-05	2002-03
Advances and prepayments	29,564	30,679
Other UN and non UN organizations	17,976	12,858
Accrued interest		267
Others	1,067	283
	<b>48,607</b>	<b>44,087</b>

**14. Bank Loans**

The Organization suffered cash shortages in the last five months of 2005 due to delays in payment of contributions by Member Nations. After recourse to the Working Capital Fund and Special Reserve Account balances to meet the General Fund cash requirements, the Organization was further obliged to borrow externally from August through 31 December 2005. The borrowing is repayable in periods up to two weeks, with various institutions, at



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prevailing inter-bank rates. Unsecured external borrowings of \$71 million at 31 December 2005 were repaid in 2006 on receipt of contributions from Member Nations.

### ***15. Contributions Received in Advance***

	2004-05	2002-03
(a) <b>General and Related Funds:</b>		
Assessment on Member Nations	58	116
(b) <b>Trust and UNDP Funds:</b>		
Voluntary contributions	384,304	352,134
	<b>384,362</b>	<b>352,250</b>

Interest income transferred to Trust Funds and UNDP donor accounts included above amounted to \$14.3 million (2002-03 - \$6.7 million).

The amount for "Contributions Received in Advance " under "Trust and UNDP Funds" include funds retained under the United Nations Iraq Oil-for-Food (OFF) Programme which ceased in November 2003 except for certain administrative activities and related expenditure which continued until March 2004. At 31 December 2005, the Organization held OFF funds amounting to approximately US\$5 million pending settlement of residual liabilities.

### ***16. Unliquidated Obligations***

Unliquidated obligations include liabilities for the cost of personnel services incurred and contracts and purchase orders entered into as at 31 December 2005.

### ***17. Accounts Payable***

	2004-05	2002-03
Field disbursements	1,676	4,595
Pension and medical schemes	2,918	2,183
Staff fiduciary accounts	10,138	12,688
Others	6,216	6,229
	<b>20,948</b>	<b>25,695</b>

Staff fiduciary accounts represent funds related to the operation of the contributory medical and insurance arrangements for staff. The funds are used for related purposes such as settling claims received after the expiry of the medical and insurance contracts.



## 18. Deferred Income

	2004-05	2002-03
<b>At 1 January 2004 and 2002</b>	<b>62,024</b>	<b>77,721</b>
Add: 2004-05 Regular Programme assessment relating to TCP appropriation (2002-03)	98,645	92,038
Less: Transferred to income in respect of expenditures incurred against:		
(i) TCP 2002-03 appropriation (2000-01)	(62,024)	(77,721)
(ii) TCP 2004-05 appropriation (2002-03)	(63,089)	(30,014)
<b>At 31 December 2005 and 2003</b>	<b>35,556</b>	<b>62,024</b>

## 19. Arrears Allocation

Conference Resolution 6/2001 authorised the use of part of the additional funds available to the Organization during the biennium arising from payment of arrears of contributions, particularly by the major contributor, for specific purposes, after providing for the implementation in full of the Programme of Work and Budget. Chapter 9 for "One-time expenditures" was established in 2002 on receipt of arrears from the major contributor. In accordance with Conference Resolution 6/2001, special purpose projects were established in Chapter 9 of the Programme of Work and Budget in the 2002-03 biennium. The balance in Chapter 9 "One-time expenditure funded from arrears" of \$41.4 million was carried-forward to the 2004-05 biennium.

The balance of the Arrears Allocation remaining at the end of 2005 was transferred to the new Capital Expenditure Account in accordance with Conference Resolution 10/2003. The movements in Chapter 9 "One-time expenditure" are as follows:

	2004-05	2002-03
Arrears Allocation for one-time Expenditure	41,382	44,912
Less: Expenditure incurred	(31,270)	(3,530)
Transfer to Capital Expenditure Account	(10,112)	
	<b>0</b>	<b>41,382</b>

## 20. Staff Related Schemes

	2004-05	2002-03
Compensation Payments	16,589	16,495
Separation Payments	77,875	54,847
After Service Medical Coverage	145,102	110,840
	<b>239,566</b>	<b>182,182</b>

Conference Resolution 10/99 and 10/2001 approved, inter alia, that (i) any income generated from the investments held in respect of the Separation Payments Scheme and Staff Compensation Plan be applied to ensure the adequacy of those funds to extinguish the respective liabilities, (ii) should there be additional investment income then this should first in principle be earmarked for the After Service Medical Coverage liability and subsequently



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for the Terminal Payments liability. In 2004-05 long-term investment income of \$36.6 million (2002-03 - \$10.1 million) was applied to Staff Related Schemes. Approximately two-thirds of the staff related liabilities represent liabilities payable in Euro.

### **Compensation Payments**

Compensation Payments are due to staff members and their dependants in case of death, injury or illness attributable to the performance of official duties and, in certain circumstances, to supplement the disability and survivors' pensions paid by the United Nations Joint Staff Pension Fund. Compensation Payments are subject to actuarial review to ascertain the liabilities and recommend rates of contribution. The valuation method used is the one-year cost method. The details of the last review as at 31 December 2005 (and 2003) are as follows:

	2005	2003
Principal actuarial assumptions to determine cost of expected claims:		
(i) Annual discount rate	4.5%	5.5%
(ii) Annual cost-of-living increases in benefits	2.0%	2.0%
<b>Actuarial present value of expected claims (\$ millions)</b>	<b>16.6</b>	<b>16.5</b>

### **Separation Payments**

Separation Payments are due to General Service category staff at Headquarters who are entitled to receive a separation payment equivalent to 1/13.5 of yearly salary for each year of service completed after 1 January 1975. Separation Payments are subject to actuarial review to ascertain the liabilities and recommend rates of contribution. The valuation method used is the projected unit cost method. The details of the last actuarial valuation as at 31 December 2005 (and 2003) are as follows:

	2005	2003
Principal actuarial assumptions to determine cost of benefits:		
(i) Annual discount rate	4.5%	5.5%
(ii) Future rate of salary inflation	2.5%	2.5%
<b>Actuarial present value of benefit obligation (\$ millions)</b>	<b>77.9</b>	<b>76.9</b>

The unrecorded liability for separation payments at 31 December 2003 of \$22.1 million has been extinguished due to the positive performance of the long-term investment portfolio which realized an investment income of \$36.6 million, applied to the separation payments liability in accordance to Conference Resolutions 10/99 and 10/2001.

### **Terminal Payments**

Terminal Payments relate to payment of accrued annual leave, repatriation grant, termination indemnity, cost of repatriation travel and the removal of household goods for all eligible staff. Terminal Payments are subject to actuarial review to ascertain the related liabilities and recommend rates of contribution. The valuation method used is the aggregate cost method. The details of the last valuation as at 31 December 2005 (and 2003) are as follows:



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	2005	2003
(i) Annual discount rate	4.5%	5.5%
(ii) Future rate of salary inflation	2.5%	2.5%
<b>Actuarial present value of benefit obligation (\$ millions)</b>	<b>25.9</b>	<b>25.5</b>

Based on the above actuarial review, the unrecorded liabilities for terminal payments at 31 December 2005 amounted to \$25.9 million (2003 - \$25.5 million).

**After Service Medical Coverage**

The After Service Medical Coverage Plan provides for worldwide coverage for necessary medical expenses of eligible former staff members and their dependants. The After Service Medical Coverage liability represents the present value of the share of the Organization's medical insurance costs for retirees and active staff post-retirement benefit accrued to-date. After Service Medical Coverage is subject to actuarial review to ascertain the related liabilities and recommend rates of contribution. The valuation method used is the projected unit credit cost method. The details of the last review as at 31 December 2005 (and 2003) are as follows:

	2005	2003
(i) Annual discount rate	4.5%	5.5%
(ii) Salary Inflation rate	2.5%	2.5%
(iii) Medical Inflation rate (medical inflation rate is assumed to decline linearly from 6.5% to 4.5% over the next 10 years)	6.5%	4.5%
<b>Actuarial present value of expected claims (\$millions)</b>	<b>533.4</b>	<b>313.8</b>

Based on the above actuarial review the unrecorded liabilities for after service medical coverage at 31 December 2005 amounted to \$388.3 million (2003 - \$202.9 million).

**Pensions**

The Organization is a member of the United Nations Joint Staff Pension Fund (UNJSPF) established by the General Assembly of the United Nations to provide retirement, death disability and related benefits to staff of member organizations. The scheme is of the defined benefit type and the Organization's obligation is limited to specified contributions to the Fund.



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## 21. Working Capital Fund

	2004-05	2002-03
Authorized level at 1 January 2004 and 2002	25,395	25,381
New Member Nations		14
Authorized level at 31 December 2005 and 2003	<b>25,395</b>	<b>25,395</b>
<b>At 1 January 2004 and 2002</b>	<b>25,183</b>	<b>15,482</b>
Receipts from Member Nations	14	1,327
Receipts from Associate Members		14
Transfer to General Fund	(25,197)	
Special Reimbursement (Advance) for Redeployment and Separation Costs		8,360
<b>At 31 December 2005 and 2003</b>	<b>0</b>	<b>25,183</b>

The purpose of the Working Capital Fund is to advance moneys on a reimbursable basis to the General Fund in order to finance budgetary expenditures pending receipt of contributions to the budget; finance emergency expenditures not provided for in the current budget; and make loans for such purposes as the Council may authorise in specific cases. The authorised level of the Working Capital Fund set-up by Conference resolution 15/91 was originally \$25 million. The authorised capital was increased to \$25.4 million at 31 December 2003 and the amount paid up at 31 December 2005 was \$25.2 million. The balance of \$25.2 million was advanced from the Working Capital Fund to the General Fund in August 2005. This amount was reimbursed to the Working Capital Fund in 2006 on receipt of contributions from Member Nations.

## 22. Special Reserve Account

	2004-05	2002-03
Authorized level at 1 January 2004 and 2002	37,455	32,550
<b>At 1 January 2004 and 2002</b>	<b>23,021</b>	<b>457</b>
Receipts from Member Nations	2,057	6,016
Exchange differences on translation of foreign currencies	(14,762)	51,312
Currency variance on staff standard costs		(34,764)
Net transfer from/(to) General Fund	(10,316)	
<b>At 31 December 2005 and 2003</b>	<b>0</b>	<b>23,021</b>

The purpose of the Special Reserve Account is to protect the Organization's Programme of Work against the effects of unbudgeted extra costs arising from adverse currency fluctuations and unbudgeted inflationary effects. The authorised level of the Special Reserve Account is set by Conference Resolution 13/81 at 5% of the effective working budget for the respective subsequent biennium, amounting to \$37.5 million in 2004-05. Net gains or losses on exchange are charged to the Special Reserve Account.

Following the introduction of split assessments, Conference at its thirty-third session in 2005 decided to exclude charges to the Special Reserve Account due to the currency variance on



Headquarters staff costs arising from differences between the budget rate and UN operational rates of exchange, with effect from the 2004-05 biennium.

Since the advance of the Working Capital Fund balance to the General Fund in August 2005 was insufficient to meet the General Fund cash requirements, the available balance of \$10.3 million was also advanced from the Special Reserve Account to the General Fund pending receipt of contributions from Member Nations. This amount was reimbursed to the Special Reserve Account in 2006 on receipt of contributions from Member Nations.

### ***23. Capital Expenditure Account***

The Capital Expenditure Account was established by Conference Resolution 10/03 as Chapter 8 of the Programme of Work and Budget and incorporated in Financial Regulation 6.11 as follows: .

- a. “a Capital Expenditure Account, which will be used for the purpose of managing activities which involve capital expenditure, defined as being:
  - i. expenditures on tangible or intangible assets with a useful life in excess of FAO’s financial period of two years;
  - ii. which generally require a level of resources which cannot be funded within the appropriation for a single biennium.
- b. the source of funds will be:
  - i. Regular Programme Appropriations approved by Conference;
  - ii. voluntary contributions;
  - iii. recoveries from charges to users for the delivery of capital investment services.
- c. the use of the Account will be authorized under Chapter 8 through approval of the Appropriations Resolution by Conference (Financial Regulation 4.1) or through the application of Financial Regulation 4.5 as regards budgetary transfers.
- d. the balance on Chapter 8 of the budget at the end of each financial period shall be transferred to the Capital Expenditures Account for use in a subsequent financial period.”

The balance on the Arrears Allocation at 31 December 2005 of \$10.1 million was transferred to the Capital Expenditure Account in accordance with the approval of Finance Committee, endorsed by Council (CL129/REP paragraph 48).

### ***24. Special Fund for Emergency and Rehabilitation Activities***

The Finance Committee, at its 102nd Session in May 2003, supported the proposal to establish the Special Fund for Emergency and Rehabilitation Activities (SFERA), with funding to be provided from the donor community and the Emergency and Rehabilitation Division (TCE). The initial target funding level was set at \$2 million.



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The FAO Council, at its Hundred and Twenty-seventh Session in November 2004, noted the Director-General's proposal to extend the target funding level of the SFERA to US\$20 million and to create an emergency trust fund with an annual target funding level of \$80 million.

The movements on the account are as follows

	2004-05	2002-03
Contributions Received	24,781	
Advances to projects	(9,957)	
Applications to Trust Funds projects	(13,470)	
Refund of Advances	10,067	
	<b>11,421</b>	

## **25. Contingent Liabilities**

FAO received an assessment for garbage collection tax from the Rome Municipality for 1995 of the Lire equivalent of \$1.1 million representing an increase of 425% from the previous year. By Note Verbale of June 1995, FAO informed the Italian Permanent Representation of the impossibility of accepting such a request due to both legal and financial considerations. As of the end of 2005 the total garbage tax assessed on FAO is estimated at \$8.9 million (2002-03 - \$12.9 million) which resulted in a contingent liability of \$7.1 million (2002-03 - \$10.6 million) since \$1.8 million (2002-03 - \$2.3 million) had already been provided for. FAO has a legal obligation under provisions of relevant treaties to pay that portion of garbage collection tax that corresponds to the cost of the service rendered. Therefore, pending conclusion of an agreement with all parties involved, any amount charged by the Rome Municipality for garbage services rendered constitutes a potential liability for the Organization. Discussions with the Italian authorities, which have been in abeyance for sometime, have resumed.

## **26. Other Disclosures**

### **Equipment, Furniture and Vehicles**

The historical cost of fully expended FAO equipment, furniture and vehicles at the end of the biennium was as follows:

	2004-05	2002-03
General and Related Funds	68,973	56,386
Trust and UNDP Funds	50,786	41,916
	<b>119,759</b>	<b>98,302</b>

### **Voluntary Contributions in-kind**

The Headquarters premises in Rome are provided rent-free by the Host Country in accordance to the Headquarters agreement. In addition, various Member Nations provide premises for FAO offices in field locations. It is estimated that the commercial rental value of the Headquarters and Field property provided rent-free is approximately \$16.2 million and \$4.7 million per year (2002-03 - \$16.1 million and \$4.5 million) respectively.



**Non-freely convertible Currencies**

At 31 December 2005, cash balances held in non-freely convertible currencies amounted to \$3.4 million (2002-03 - \$3.1 million).

**Currency Swaps**

With the introduction of split assessments, the Organization has entered into USDollar/Euro swaps with the Bank for International Settlements as counterpart, to fund delays of Euro receipts from Member Nations throughout the biennium. At 31 December 2005, there was an open position with a nominal value of €30 million, closed on 6 January 2006.



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Schedule I: Assessed Contributions Outstanding for the Regular Programme  
at 31 December 2005 (expressed in US\$000)**

Member Nation	2002 & prior	2003	2004	2005	Instalments due in future years	Grand total
Afghanistan	225	29	35	37		326
Albania	0	0	5	5		10
Antigua and Barbuda	323	6	8	8		345
Argentina	13,873	3,727	4,471	4,689		26,760
Armenia	0	0	0	0	1,553	1,553
Azerbaijan	979	13	7	7		1,006
Benin	0	0	0	2		2
Bolivia	0	0	0	54	80	134
Brazil	0	6,292	9,299	9,753		25,344
Burundi	138	0	4	4		146
Cambodia	0	0	0	31		31
Cape Verde	0	0	4	4		8
Central African Republic	202	3	4	4		213
Chile	0	149	464	505		1,118
China	0	0	263	0		263
Colombia	0	0	205	821		1,026
Comoros	265	3	4	4		276
Costa Rica	118	63	52	66		299
Cote d'Ivoire	0	0	20	37		57
Croatia	0	0	0	66		66
Cuba	0	74	117	122		313
Democratic Republic Of Congo	0	8	16	16		40
Djibouti	0	0	1	2		3
Dominica	10	3	2	2		17
Dominican Republic	584	0	89	94		767
Ecuador	0	0	0	9		9
Equatorial Guinea	0	0	0	4		4
Gabon	0	0	0	30		30
Gambia	94	0	2	2		98
Georgia	0	0	12	12	1,297	1,321
Guatemala	0	0	82	110		192
Guinea-Bissau	92	3	4	4		103
Guyana	0	0	0	1		1
Honduras	0	0	4	12		16
Iraq	5,028	441	298	331		6,098
Israel	0	0	0	53		53
Japan	0	0	0	39,822		39,822
Jordan	0	0	18	33		51
Kazakhstan	0	0	0	0	652	652
Kenya	0	0	0	5		5



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**
**Schedule I: Assessed Contributions Outstanding for the Regular Programme  
at 31 December 2005 (expressed in US\$000)**

Member Nation	2002 & prior	2003	2004	2005	Instalments due in future years	Grand total
Korea, Republic of	0	0	0	638		638
Kyrgyz Republic	861	3	4	4		872
Latvia	749	0	0	0		749
Lebanon	0	0	0	49		49
Liberia	332	3	4	4		343
Lithuania	0	0	0	0	925	925
Madagascar	0	0	0	2		2
Malawi	0	0	0	3		3
Marshall Islands	0	0	4	4		8
Mexico	0	0	0	779		779
Micronesia	0	0	0	2		2
Moldova	0	0	0	1	875	876
Namibia	0	0	15	17		32
Nauru	4	3	4	4		15
Nicaragua	136	3	4	4		147
Nigeria	0	103	265	277		645
Niue	0	0	0	4		4
Pakistan	0	0	16	171		187
Palau	0	0	3	4		7
Panama	0	0	0	8		8
Papua New Guinea	0	0	10	14		24
Paraguay	0	51	62	65		178
Peru	0	0	459	483		942
Philippines	316	0	219	260		795
Poland	0	0	0	492		492
Sao Tome and Principe	262	3	4	4		273
Saudia Arabia, Kingdom of	0	0	0	201		201
Seychelles	133	6	8	8		155
Sierra Leone	138	3	4	4		149
Solomon Islands	29	3	4	4		40
Somalia	338	3	4	4		349
St Vincent and the Grenadines	0	0	0	2		2
Sudan	0	0	13	14		27
Suriname	0	6	8	8		22
Swaziland	0	0	0	5		5
Tajikistan	146	0	0	2		148
Tunisia	0	0	37	0		37
Turkmenistan	407	10	12	12		441
United States of America	1,753	0	2	38,668		40,423



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Schedule I: Assessed Contributions Outstanding for the Regular Programme  
at 31 December 2005 (expressed in US\$000)**

Member Nation	2002 & prior	2003	2004	2005	Instalments due in future years	Grand total
Uruguay	0	0	136	326		462
Uzbekistan	0	0	0	45		45
Venezuela	0	0	0	849		849
Yugoslavia 1990-2000	8,405	0	0	0		8,405
Zambia	0	0	4	5		9
Zimbabwe	0	0	0	19		19
<b>TOTAL</b>	<b>35,940</b>	<b>11,014</b>	<b>16,794</b>	<b>100,225</b>	<b>5,382</b>	<b>169,361</b>



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**
**Annex I: Status of Technical Cooperation Programme Projects Funded Against  
2004-05 Appropriation at 31 December 2005**

Country	No. Projects	Budget	Expenditure	Balance
		(US\$ '000)	(US\$ '000)	(US\$ '000)
<b>AFRICA</b>				
Algeria	4	554	364	190
Angola	4	545	380	165
Benin	3	692	349	343
Botswana	5	606	464	142
Burkina Faso	4	596	558	38
Burundi	3	301	164	137
Cameroon	5	970	523	447
Cape Verde	2	376	129	247
Central African Republic	2	534	171	363
Chad	4	1,053	624	429
Comoros	2	226	73	153
Congo	1	15	0	15
Congo, The Democratic Republic of	4	656	471	185
Cote d'Ivoire	1	161	145	16
Equatorial Guinea	3	474	273	201
Eritrea	7	841	828	13
Ethiopia	4	861	696	165
Gabon	5	847	548	299
Gambia	4	636	521	115
Ghana	3	575	278	297
Guinea	7	1,115	778	337
Guinea-Bissau	2	394	220	174
Kenya	6	700	437	263
Lesotho	5	671	317	354
Liberia	5	643	299	344
Madagascar	4	595	244	351
Mali	3	484	357	127
Mauritania	5	725	709	16
Mauritius	3	399	253	146
Morocco	7	1,216	998	218
Mozambique	5	799	484	315
Namibia	5	842	478	364
Niger	5	852	561	291
Nigeria	3	760	465	295
Rwanda	4	724	453	271
Sao Tome and Principe	3	365	160	205
Senegal	4	1,076	689	387
Sierra Leone	2	399	333	66
South Africa	2	298	0	298
Swaziland	6	631	355	276
Tanzania, United Republic of	2	584	371	213



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Annex I: Status of Technical Cooperation Programme Projects Funded Against  
2004-05 Appropriation at 31 December 2005**

Country	No. Projects	Budget	Expenditure	Balance
		(US\$ '000)	(US\$ '000)	(US\$ '000)
Togo	2	596	420	176
Tunisia	5	916	711	205
Uganda	3	415	252	163
Zambia	7	966	697	269
Zimbabwe	5	512	336	176
	<b>180</b>	<b>29,196</b>	<b>18,936</b>	<b>10,260</b>
<b>ASIA</b>				
Bangladesh	2	599	412	187
Bhutan	4	660	226	434
Cambodia	4	770	528	242
China	11	2,920	2,144	776
India	3	331	122	209
Indonesia	3	1,201	446	755
Kazakhstan	2	336	233	103
Korea, Democratic People's Republic of	5	1,028	548	480
Lao, People's Democratic Republic	2	741	635	106
Malaysia	1	183	81	102
Maldives	3	635	485	150
Mongolia	4	871	607	264
Myanmar	2	659	307	352
Nepal	1	288	30	258
Pakistan	8	2,295	1,287	1,008
Philippines	4	1,228	1,042	186
Regional Asia Pacific	16	4,287	2,757	1,530
Sri Lanka	4	901	555	346
Thailand	5	936	829	107
Timor-Leste	3	569	414	155
Viet Nam	5	666	596	70
	<b>92</b>	<b>22,104</b>	<b>14,284</b>	<b>7,820</b>
<b>EUROPE</b>				
Albania	1	221	66	155
Armenia	4	1,201	1,000	201
Azerbaijan	1	520	223	297
Bosnia and Herzegovina	1	387	370	17
Bulgaria	3	450	92	358
Croatia	1	306	0	306
Georgia	1	166	144	22
Hungary	3	797	192	605
Kosovo	1	82	82	0
Latvia	1	268	114	154
Lithuania	19	5,256	2,899	2,357



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**
**Annex I: Status of Technical Cooperation Programme Projects Funded Against  
2004-05 Appropriation at 31 December 2005**

Country	No. Projects	Budget	Expenditure	Balance
		(US\$ '000)	(US\$ '000)	(US\$ '000)
Macedonia, The Former Yugoslav	2	684	500	184
Malta	1	179	172	7
Moldova, Republic of	2	163	123	40
Poland	4	797	123	674
Romania	1	51	51	0
Serbia and Montenegro	1	230	0	230
Turkey	2	367	265	102
Ukraine	5	648	105	543
	<b>54</b>	<b>12,773</b>	<b>6,521</b>	<b>6,252</b>
<b>Global Interregional</b>	12	4,140	3,590	550
	<b>12</b>	<b>4,140</b>	<b>3,590</b>	<b>550</b>
<b>LATIN AMERICA</b>				
Antigua and Barbuda	2	80	1	79
Argentina	5	814	609	205
Bahamas	2	146	67	79
Barbados	1	309	0	309
Belize	2	256	105	151
Bolivia	3	365	284	81
Brazil	5	1,124	453	671
Chile	3	681	502	179
Colombia	3	497	384	113
Costa Rica	3	879	323	556
Cuba	1	582	195	387
Dominica	3	270	87	183
Dominican Republic	6	946	664	282
Ecuador	3	272	171	101
El Salvador	5	827	511	316
Grenada	3	758	553	205
Guatemala	6	1,606	863	743
Guyana	3	248	141	107
Haiti	5	827	720	107
Honduras	1	320	137	183
Jamaica	5	560	253	307
Mexico	2	564	207	357
Nicaragua	4	940	802	138
Panama	5	749	176	573
Paraguay	3	508	269	239
Peru	6	745	503	242
Saint Kitts and Nevis	1	81	2	79
Saint Lucia	2	205	57	148
Saint Vincent and the Grenadines	1	81	2	79



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Annex I: Status of Technical Cooperation Programme Projects Funded Against  
2004-05 Appropriation at 31 December 2005**

Country	No. Projects	Budget	Expenditure	Balance
		(US\$ '000)	(US\$ '000)	(US\$ '000)
Suriname	4	455	255	200
Trinidad and Tobago	3	263	155	108
Uruguay	3	480	225	255
	<b>104</b>	<b>17,438</b>	<b>9,676</b>	<b>7,762</b>
<b>NEAR EAST</b>				
Afghanistan	1	317	165	152
Djibouti	3	351	197	154
Egypt	3	421	285	136
Iran (Islamic Republic of)	4	878	660	218
Jordan	1	229	12	217
Kuwait	2	382	332	50
Kyrgyzstan	2	340	99	241
Lebanon	2	418	21	397
Libyan Arab Jamahiriya	2	223	152	71
Oman	1	365	274	91
Qatar	2	151	116	35
Regional Arab States	9	3,178	960	2,218
Somalia	2	171	172	(1)
Sudan	5	983	916	67
Syrian Arab Republic	4	1,099	781	318
Tajikistan	2	661	308	353
Turkmenistan	1	14	14	0
Uzbekistan	4	803	442	361
Yemen	5	647	301	346
	<b>55</b>	<b>11,631</b>	<b>6,207</b>	<b>5,424</b>
<b>SOUTHWEST PACIFIC</b>				
American Samoa	18	3,735	1,707	2,028
Cook Islands	2	347	188	159
Fiji	2	187	118	69
Kiribati	2	349	132	217
Marshall Islands	2	159	61	98
Micronesia, Federated States of	1	116	14	102
Nauru	2	137	24	113
Niue	3	565	362	203
Palau	2	370	207	163
Papua New Guinea	3	609	236	373
Samoa	3	613	353	260



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS****Annex I: Status of Technical Cooperation Programme Projects Funded Against  
2004-05 Appropriation at 31 December 2005**

Country	No. Projects	Budget	Expenditure	Balance
		(US\$ '000)	(US\$ '000)	(US\$ '000)
Solomon Islands	2	381	207	174
Tonga	1	116	36	80
Tuvalu	1	116	10	106
Vanuatu	1	123	53	70
	<b>45</b>	<b>7,923</b>	<b>3,708</b>	<b>4,215</b>
<b>MISCELLANEOUS</b>			167	
<b>TOTAL</b>	<b>542</b>	<b>105,205</b>	<b>63,089</b>	<b>42,283</b>
2004-05 Project Appropriation			98,645	
Total Expenditure			63,089	
<b>Unobligated Balance carried forward in accordance with Financial Regulations 4.3</b>			<b>35,556</b>	



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Annex II: Status of Technical Cooperation Programme Projects Funded Against  
2002-03 Appropriation at 31 December 2005**

Country	No. Projects	Expenditure
		(US\$ '000)
<b>AFRICA</b>		
Algeria	6	643
Angola	8	981
Benin	6	687
Botswana	2	104
Burkina Faso	6	1,173
Burundi	4	634
Cameroon	8	2,186
Cape Verde	4	843
Central African Republic	5	1,402
Chad	2	429
Comoros	4	515
Congo	5	1,350
Congo, Dem. Rep. of	1	1,520
Cote d'Ivoire	3	615
Equatorial Guinea	3	528
Eritrea	3	539
Ethiopia	7	938
Gabon	7	795
Gambia	6	863
Ghana	6	959
Guinea	6	851
Guinea-Bissau	6	1,373
Kenya	7	1,154
Lesotho	4	784
Liberia	3	470
Madagascar	5	761
Malawi	4	537
Mali	9	1,585
Mauritania	6	466
Mauritius	4	166
Morocco	4	389
Mozambique	6	1,141
Namibia	3	134
Niger	8	1,262
Nigeria	5	1,364
Rwanda	5	1,102
Senegal	8	721



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**
**Annex II: Status of Technical Cooperation Programme Projects Funded Against  
2002-03 Appropriation at 31 December 2005**

Country	No. Projects	Expenditure
		(US\$ '000)
Seychelles	2	307
Sierra Leone	3	594
South Africa	4	537
Swaziland	5	748
Tanzania, United Republic of	7	1,216
Togo	3	546
Tunisia	8	770
Uganda	8	1,867
Zambia	4	740
Zimbabwe	5	496
	<b>238</b>	<b>39,785</b>
<b>ASIA</b>		
Bangladesh	4	887
Bhutan	1	374
Cambodia	3	820
China	5	640
Timor-Leste	2	233
India	4	880
Indonesia	3	584
Kazakhstan	2	150
Korea, Democratic People's Republic of	5	1,343
Lao People's Democratic Republic	3	942
Malaysia	1	180
Maldives	4	445
Mongolia	3	369
Myanmar	3	716
Nepal	4	1,027
Pakistan	5	596
Philippines	4	723
Regional Asia Pacific	9	1,425
Sri Lanka	5	1,180
Thailand	5	713
Viet Nam	9	1,562
	<b>84</b>	<b>15,789</b>
<b>EUROPE</b>		
Albania	1	211
Armenia	3	331
Bosnia and Herzegovina	1	38
Bulgaria	2	421



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**

**Annex II: Status of Technical Cooperation Programme Projects Funded Against  
2002-03 Appropriation at 31 December 2005**

Country	No. Projects	Expenditure
		(US\$ '000)
Croatia	1	178
Cyprus	2	483
Czech Republic	2	427
Estonia	1	107
Georgia	3	769
Hungary	1	6
Kosovo	2	308
Latvia	1	177
Lithuania	15	3,660
Macedonia, The Former Yugoslav	1	7
Malta	1	168
Moldova, Republic of	3	499
Romania	1	5
Serbia and Montenegro	2	366
Slovakia	1	85
Slovenia	2	310
Turkey	4	311
	<b>50</b>	<b>8,867</b>
<b>Global Interregional</b>	6	2,574
	<b>6</b>	<b>2,574</b>
<b>LATIN AMERICA</b>		
Antigua and Barbuda	3	86
Argentina	6	932
Bolivia	3	466
Brazil	6	1,244
Chile	2	307
Colombia	3	596
Costa Rica	2	52
Cuba	2	407
Dominican Republic	2	414
Ecuador	3	306
El Salvador	2	32
Grenada	2	385
Guatemala	3	571
Guyana	2	54
Haiti	4	733
Honduras	1	69
Jamaica	4	479
Mexico	3	797
Nicaragua	4	836
Panama	3	181
Paraguay	2	210
Peru	4	386



**FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS**
**Annex II: Status of Technical Cooperation Programme Projects Funded Against  
2002-03 Appropriation at 31 December 2005**

Country	No. Projects	Expenditure
		(US\$ '000)
Saint Vincent and the Grenadines	1	67
Suriname	2	61
Trinidad and Tobago	1	163
Uruguay	3	209
Venezuela	2	335
	<b>75</b>	<b>10,378</b>
<b>NEAR EAST</b>		
Afghanistan	2	764
Djibouti	3	333
Egypt	3	572
Iran (Islamic Republic of)	7	1,047
Jordan	4	556
Kyrgyzstan	5	1,093
Lebanon	4	705
Libyan Arab Jamahiriya	2	109
Oman	2	25
Qatar	1	5
Regional Arab States	7	1,184
Somalia	2	7
Sudan	8	1,144
Syrian Arab Republic	5	946
Tajikistan	2	652
Turkmenistan	2	280
Uzbekistan	3	328
Yemen	3	387
	<b>65</b>	<b>10,137</b>
<b>SOUTHWEST PACIFIC</b>		
American Samoa	14	2,579
Fiji	3	707
Marshall Islands	3	233
Nauru	1	101
Papua New Guinea	1	267
Samoa	2	395
Tonga	2	226
	<b>26</b>	<b>4,508</b>
<b>TOTAL</b>	<b>544</b>	<b>92,038</b>
Appropriation 2002-03		92,038
Expenditure against 2002-03 Project Appropriation		92,038
<b>Balance</b>		<b>0</b>



