



2008–2009

AUDITED ACCOUNTS



Food and Agriculture Organization
of the United Nations

2008–2009

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Food and Agriculture Organization
of the United Nations

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FINANCIAL STATEMENTS 2008-09

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PART B

Report of the External Auditor

The Report of the External Auditor is available under Conference document reference number C2011/5 B

FINANCIAL STATEMENTS 2008-09

INDEPENDENT AUDITOR'S REPORT

The FAO Conference of Member Nations

We have audited the accompanying financial statements, comprising of Statements I to IV, Schedule 1, Annexes I and II and the supporting Notes 1 to 31 of the Food and Agriculture Organization of the United Nations for the financial period ended 31 December 2009.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of FAO management. These have been prepared consistent with the Financial Regulations of the Food and Agriculture Organization of the United Nations and in accordance with the United Nations System Accounting Standards (UNSAS).

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 in 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. We believe that our audit provides a reasonable basis for the audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position as at 31 December 2009 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.

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Based on sampling, in our 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, we have also issued a long-form report on our audit of the Food and Agriculture Organization's financial statements.



Reynaldo A. Villar
Chairman, Philippine Commission on Audit
External Auditor

15 November 2010

Certification of Financial Statements

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



Manoj Juneja

Assistant Director-General

Corporate Services, Human Resources and Finance Department

Approved:



Jacques Diouf

Director-General

September 2010

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 2009

(USD '000)

| | Notes | Funds | | Total | |
|--|-------|---------------------|------------------|------------------|------------------|
| | | General and Related | Trust and UNDP | 2008-09 | 2006-07 |
| INCOME | | | | | |
| Assessment on Member Nations | 3 | 970,199 | - | 970,199 | 793,755 |
| Voluntary contributions | 4 | 73,193 | 1,127,225 | 1,200,418 | 894,275 |
| Funds received under inter-organizational arrangement | 5 | 873 | 8,082 | 8,955 | 14,830 |
| Jointly financed activities | 6 | 30,042 | - | 30,042 | 32,348 |
| Miscellaneous | 7 | 1,915 | 5,486 | 7,401 | 59,984 |
| Return on Investments – long-term | 8 | (15,418) | - | (15,418) | 42,650 |
| Information Products Revolving Fund | | 678 | - | 678 | 1,062 |
| Government Counterpart Cash Contributions | | 1,625 | - | 1,625 | 1,745 |
| Net other sundry income | 9 | 16,402 | - | 16,402 | 14,345 |
| (Loss) / Gain on exchange Differences | 26 | (6,663) | - | (6,663) | 19,411 |
| TOTAL INCOME | | 1,072,846 | 1,140,793 | 2,213,639 | 1,874,405 |
| EXPENDITURE | | | | | |
| Regular Programme | 10 | 1,053,756 | - | 1,053,756 | 925,575 |
| Projects | 10 | - | 1,135,307 | 1,135,307 | 849,021 |
| TOTAL EXPENDITURE | | 1,053,756 | 1,135,307 | 2,189,063 | 1,774,596 |
| EXCESS OF INCOME OVER EXPENDITURE | | 19,090 | 5,486 | 24,576 | 99,809 |
| Amortization of staff related liabilities | 11 | - | - | - | (45,445) |
| Actuarial Losses | 12 | (22,052) | - | (22,052) | - |
| Interest Cost of Staff Related Liabilities | 13 | (94,749) | - | (94,749) | - |
| Staff related schemes | | - | - | - | (42,650) |
| Provision for contributions receivable and other assets | 14 | (6,534) | - | (6,534) | (4,442) |
| Provision for investments | | - | - | - | 308 |
| Deferred Income | 22 | 14,496 | - | 14,496 | (33,039) |
| Net movement in Capital Expenditure Account | 27 | (6,969) | - | (6,969) | 6,889 |
| Net movement in Security Expenditure Account | 28 | (3,655) | - | (3,655) | - |
| NET (SHORTFALL) / EXCESS OF INCOME OVER EXPENDITURE | | (100,373) | 5,486 | (94,887) | (18,570) |
| Transfer of Interest to Donor Accounts | 19 | - | (5,486) | (5,486) | (36,333) |
| Transfers from/(to) Reserves: | | | | | |
| Working Capital Fund | 25 | - | - | - | (25,197) |
| Special Reserve Account | 26 | 6,663 | - | 6,663 | (23,327) |
| Fund balances, beginning of period as previously reported | | (465,282) | - | (465,282) | (361,855) |
| FUND BALANCES, END OF PERIOD | | (558,992) | - | (558,992) | (465,282) |

The accompanying notes are an integral part of the financial statements

Statement II: Assets, Liabilities, Reserves and Fund Balances

As at 31 December 2009

(USD '000)

| | Notes | Funds | | Total | |
|--|-------|---------------------|----------------|------------------|------------------|
| | | General and Related | Trust and UNDP | 2008-09 | 2006-07 |
| ASSETS | | | | | |
| Cash and term deposits | | 55,406 | 30,836 | 86,242 | 237,812 |
| Investments – short term | 15 | - | 871,200 | 871,200 | 450,022 |
| Contributions receivable | 16 | 82,391 | 14,712 | 97,103 | 140,502 |
| Less: Provision for delays of contributions | 17 | (12,978) | (6,883) | (19,861) | (15,115) |
| Accounts receivable | 18 | 41,789 | - | 41,789 | 45,824 |
| Investments – long-term | 15 | 294,710 | - | 294,710 | 299,654 |
| TOTAL ASSETS | | 461,318 | 909,865 | 1,371,183 | 1,158,699 |
| LIABILITIES | | | | | |
| Contributions received in advance | 19 | 405 | 785,488 | 785,893 | 564,892 |
| Unliquidated Obligations | 20 | 64,625 | 90,898 | 155,523 | 123,874 |
| Accounts payable | 21 | 32,778 | - | 32,778 | 38,192 |
| Deferred Income | 22 | 54,099 | - | 54,099 | 68,595 |
| Staff related schemes | 23 | 782,443 | - | 782,443 | 719,147 |
| TOTAL LIABILITIES | | 934,350 | 876,386 | 1,810,736 | 1,514,700 |
| RESERVES AND FUND BALANCES | | | | | |
| Working Capital Fund | 25 | 25,654 | - | 25,654 | 25,654 |
| Special Reserve Account | 26 | 18,960 | - | 18,960 | 25,623 |
| Capital Expenditure Account | 27 | 10,192 | - | 10,192 | 3,223 |
| Security Expenditure Account | 28 | 3,655 | - | 3,655 | - |
| Special Fund for Emergency and Rehabilitation Activities | 29 | - | 33,479 | 33,479 | 25,249 |
| Unrealized gains / (losses) on investments | 15 | 27,499 | - | 27,499 | 29,532 |
| Fund Balances, end of period | | (558,992) | - | (558,992) | (465,282) |
| TOTAL RESERVES AND FUND BALANCES | | (473,032) | 33,479 | (439,553) | (356,001) |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCES | | 461,318 | 909,865 | 1,371,183 | 1,158,699 |

The accompanying notes are an integral part of the financial statements

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Statement III: Cash Flow

For the biennium ending 31 December 2009
(USD '000)

| | 2008-09 | 2006-07 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net shortfall of income over expenditure (Statement I – General and Related Funds) | (100,373) | (55,211) |
| Adjustment for: | | |
| Provision for investments | - | 308 |
| | (100,373) | (54,903) |
| Decrease in contributions receivable | 43,399 | 52,356 |
| Increase/(Decrease) in provision for contributions, net of impact of change in accounting policy in 2006-07 | 4,746 | (2,972) |
| Decrease in accounts receivable | 4,035 | 2,783 |
| Increase in contributions received in advance | 221,001 | 180,530 |
| Increase in unliquidated obligations | 31,649 | 21,303 |
| (Decrease)/Increase in deferred income | (14,496) | 33,039 |
| (Decrease)/Increase in accounts payable | (5,414) | 17,244 |
| Increase in staff related schemes, net of impact of change in accounting policy in 2006-09 | 63,296 | 81,910 |
| NET CASH FROM OPERATING ACTIVITIES | 247,843 | 331,290 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| (Increase) in investments – short-term, net of unrealized gains/(losses) | (418,577) | (83,827) |
| Decrease/(Increase) in investments – long-term, net of unrealized gains/(losses) | 310 | (59,203) |
| NET CASH USED IN INVESTING ACTIVITIES | (418,267) | (143,030) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in Working Capital Fund, net of transfers from General Fund | - | 457 |
| Increase in Special Reserve Account, net of transfers from General Fund | - | 2,296 |
| Increase in Special Fund for Emergency and Rehabilitation Activities | 8,230 | 13,828 |
| Increase/(Decrease) in Capital Expenditure Account | 6,969 | (6,889) |
| Decrease in loans | - | (71,000) |
| Increase in Security Expenditure Account | 3,655 | - |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | 18,854 | (61,308) |
| NET (DECREASE)/INCREASE IN CASH | (151,570) | 126,952 |
| CASH AT BEGINNING OF PERIOD | 237,812 | 110,860 |
| CASH AT END OF PERIOD | 86,242 | 237,812 |

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 2009

(USD '000)

| Chapter | Net Budget 1 | Deferred Income and Reserves from Previous Biennium 2 | Transfers 3 | Income Deferred to Next Biennium 4 | Adjusted Net Budget | Actual Other Income 5 | Actual Expenditure 6 | Actual Net Expenditure | Currency Variance 7 | Budget Rate Net Expenditure 8 | Budget vs. Actual Variance 9 |
|---|------------------|---|-----------------|------------------------------------|---------------------|-----------------------|----------------------|------------------------|---------------------|-------------------------------|------------------------------|
| 1. Corporate Governance | 26,500 | - | 1,000 | - | 27,500 | (514) | 28,558 | 28,044 | (568) | 27,476 | 24 |
| 2. Sustainable Food and Agricultural Systems | 260,300 | - | - | - | 260,300 | (14,240) | 277,779 | 263,539 | (5,779) | 257,760 | 2,540 |
| 3. Knowledge Exchange, Policy and Advocacy | 235,400 | - | (1,150) | - | 234,250 | (36,906) | 275,392 | 238,486 | (5,840) | 232,646 | 1,604 |
| 4. Decentralization, UN Cooperation and Programme Delivery | 227,600 | 69,887 | 50 | (54,157) | 243,380 | (33,161) | 279,032 | 245,871 | (2,503) | 243,368 | 12 |
| 5. Management and Supervision Services | 136,000 | - | 700 | - | 136,700 | (36,206) | 178,050 | 141,844 | (5,199) | 136,645 | 55 |
| 6. Contingencies | 600 | - | (600) | - | - | - | 2 | 2 | - | 2 | (2) |
| 8. Capital Expenditure | 20,100 | 2,770 | - | (7,371) | 15,499 | - | 15,910 | 15,910 | (411) | 15,499 | - |
| 9. Security Expenditure | 23,300 | - | - | (4,021) | 19,279 | (131) | 19,860 | 19,729 | (450) | 19,279 | - |
| TOTAL EFFECTIVE BUDGET | 929,800 | 72,657 | - | (65,549) | 936,908 | (121,158) | 1,074,583 | 953,425 | (20,750) | 932,675 | 4,233 |
| 10. Transfer to Tax Equalization Fund | 94,300 | - | (94,300) | - | - | - | - | - | - | - | - |
| Deferred Income and Reserves | | | | | | | | | | | |
| a. TCP Deferred Income (Chapter 4) | 69,887 | (69,887) | - | 54,157 | 54,157 | - | - | - | - | - | 54,157 |
| b. Capital Expenditure account (Conf Res 10/2003) (Chapter 8) | 4,031 | (2,770) | - | 7,371 | 8,632 | - | - | - | - | - | 8,632 |
| c. Security Expenditure account (Conf Res 5/2005) (Chapter 9) | - | - | - | 4,021 | 4,021 | - | - | - | - | - | 4,021 |
| Total | 1,098,018 | - | (94,300) | - | 1,003,718 | (121,158) | 1,074,583 | 953,425 | (20,750) | 932,675 | 71,043 |

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

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Notes to Statement IV : Status of Regular Programme Appropriations

¹ Conference resolution 3/2007 appropriation adjusted for further savings and efficiency gains of USD 22.1 million (CL 137/4 para 30).

² USD 2.8 million made available from the Capital Expenditure Facility for spending under Chapter 8, Capital Expenditure (CL 136/REP and FC 122/2).

USD 69.9 million of TCP 06-07 appropriation deferred until 2008-09 (at budget rate of exchange).

³ Finance Committee approved transfers (FC 132/6).

⁴ USD 54.2 million of TCP 08-09 appropriation deferred until 2010-11 (at budget rate of exchange). USD 7.4 million deferred until 2010-11 under Capital Expenditure Facility (FC 132/6) (at budget rate of exchange). USD 4.0 million deferred until 2010-11 under Security Expenditure Facility (FC 132/6) (at budget rate of exchange).

⁵ Actual Other Income as reflected in Statement I is comprised of the following items:

| | USD 000 |
|--|-----------------------|
| Voluntary Contributions | 73,193 |
| Funds received under inter-organizational arrangements | 873 |
| Jointly financed activities | 30,042 |
| Government counterpart cash contributions | 1,625 |
| Other sundry income (exclusive of income generated by the Money and Medals Programme of USD 1.0 million) | 15,425 |
| Total actual other income | <u>121,158</u> |

⁶ Represents amounts charged to The Regular Programme budget and the TCP prior biennium appropriation (USD 1,006.0 million and USD 68.6 million, respectively, for 2008-09 – refer also to Footnote 10). Effective 31 December 2007, in conjunction with the Organization's move toward adoption of IPSAS, FAO recognized in Statement II the full actuarial value of its after service liabilities. Consequently, beginning in 2008, the Organization accounts for payments for health insurance premiums on behalf of retirees differently for financial reporting than for budgetary reporting. For the 2008-09 biennium, USD 22.0 million of payments for health insurance premiums on behalf of retirees are recognized as expenditure in Statement IV but are recorded as reduction of ASMC liability in Statement II for financial reporting purposes.

⁷ Currency Variance represents actual expenditure and actual other income adjusted to reflect the translation of Euro-denominated transactions at the Budget Rate of Exchange rather than the UN Operational Rate of exchange in effect at the date of the transactions.

⁸ Budget rate net expenditure represents actual net expenditure adjusted by currency variance.

⁹ Variance between adjusted net budget and budget rate net expenditure. Conference Resolution 2009/3, allows for USD 2.5 million of the USD 4.2 million surplus to be allocated to the Capital Expenditure account to be used in future biennia. Consequently, final adjusted net surplus and Capital Expenditure account balance after adjusting for this transfer are USD 1.7 million and USD 11.2 million, respectively.

Notes to the Financial Statements

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. Unutilized 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 and Chapter 8 and Chapter 9 appropriations, which are transferred to the Capital Expenditure Account and the Security expenditure Account, respectively, to be carried forward for use in subsequent financial periods.

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 in accordance with United Nations System Accounting Standards (UNSAS) applied consistently. Changes in accounting policy are made only if the adoption of a different policy is required by resolution of the Governing Bodies of the Organization or by UNSAS, or if the change would result in a more appropriate presentation of the financial statements.

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Income

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

Expenditure

Expenditure is recognized 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

As of 31 December 2009, all assets and liabilities in currencies other than US dollars are translated at the UN operational rate of exchange at the reporting date. Exchange differences are taken to the income and expenditure account and transferred to the Special Reserve Account. 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.

Investments

Investments are stated at market value determined on a total portfolio basis. Change in value is recorded in a separate component of reserves called "Unrealized gains/losses on investments". Gains and losses due to changes in market value are recognized in income when the investments are liquidated and the gains and losses realized. The Organization classifies its investments as available-for-sale, as they are neither frequently actively traded for short term gains, nor do they consist of fixed term investments held until maturity.

Staff Related Schemes

As of 31 December 2007, the Organization changed its accounting policy for after service benefits as part of an overall effort to move FAO toward full adoption of International Public Sector Accounting Standards. Consequently, the Organization has adopted the policy of utilizing the corridor method to recognize actuarial gains and losses. Under this method, actuarial gains and losses that exceed 10 per cent of the value of the actuarial liability are deferred and recognized over the expected average remaining working lives of the employees participating in the plan, which is currently estimated from 9.4 to 11.4 years.

The expense rates and liabilities are determined by actuarial valuation. In accordance with the latest actuarial valuation as at 31 December 2009, the Organization has recognized in the accounts 100% of the actuarially-determined liability for the Compensation Payments Plan; whilst the actuarially-determined liabilities in relation to the Terminal Payments Plan,

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Separation Payments Plan and After Service Medical Coverage Plan are recorded net of the unrecognized loss. Changes in the liabilities reflect expenditure related to the actuarially determined current service cost and interest expense plus or minus adjustments due to changes in actuarial assumptions and/or experience.

Current service costs and amortization of unrecorded liabilities are charged to expenditure on an accruals basis.

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 recognizes 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.

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3. Assessment on Member Nations

| | 2008-09 | 2006-07 |
|--|----------------|----------------|
| | USD 000 | USD 000 |
| Regular Programme assessments | 967,699 | 785,555 |
| add: After Service Medical Coverage assessment | 14,100 | 14,100 |
| less: Amount in respect of Tax Equalization Fund | (11,600) | (5,900) |
| Total Assessment on Member Nations | 970,199 | 793,755 |

Conference Resolution 3/2007 approved appropriations of USD 929.8 million to be used for the Programme of Work as proposed by the Director General for 2008-09. Such appropriations, plus an amount of USD 14.1 million to fund the amortization of After-Service Medical Coverage (ASMC), minus estimated Miscellaneous Income of USD 5.0 million, were budgeted to be financed by contributions from Member Nations of USD 938.9 million. The contributions are comprised of split assessments in US Dollars of USD 434.0 million and in Euros of €371.4 million (equivalent to US Dollars USD 505.0 million at the Budget rate of exchange of US Dollar 1.36 to €1.00). The difference between actual Assessments on Member Nations of USD 970.2 million and amounts approved under the Conference Resolution, of USD 938.9 million, reflect the difference between the average UN Operational rate of exchange of US Dollar 1.44 to €1.00 at the time the €371.4 million was assessed and the rate of exchange assumed in the budget.

The split assessment arrangement was approved by Conference Resolution 11/03, in 2003 and this arrangement was first used for the assessments on Member Nations in 2004-05. Based on total assessments expressed in US Dollars as reported in Statement I, the actual split of assessments in US Dollars and Euro for 2008-09 was approximately 42% and 58%, respectively.

4. Voluntary Contributions

| | 2008-09 | 2006-07 |
|--------------------------------------|------------------|----------------|
| | USD 000 | USD 000 |
| (a) General and Related Funds | | |
| Support costs | 73,193 | 58,754 |
| (b) Trust and UNDP Funds | | |
| Donor countries | 752,819 | 584,643 |
| Donor institutions | 221,726 | 153,985 |
| Multidonor projects | 152,680 | 96,893 |
| | 1,127,225 | 835,521 |
| Total Voluntary Contributions | 1,200,418 | 894,275 |

General and Related Funds Support costs represent income generated for support services provided to Trust and UNDP fund projects by the Regular Programme.

5. Funds Received under Inter-Organizational Arrangements

| | 2008-09 USD 000 | 2006-07 USD 000 |
|---|--------------------|--------------------|
| (a) General and Related Funds | | |
| Support costs | 873 | 1,330 |
| (b) Trust and UNDP Funds | | |
| Funds received under inter-organizational arrangement | 8,082 | 13,500 |
| Total Funds Received under Inter-Organizational Arrangements | 8,955 | 14,830 |

6. Jointly Financed Activities

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| FAO/World Bank Cooperative Programme | 25,279 | 25,226 |
| International Fund for Agricultural Development | 3,817 | 3,535 |
| European Bank for Reconstruction and Development | 632 | 557 |
| Others | 314 | 3,030 |
| Total Jointly Financed Activities | 30,042 | 32,348 |

Amounts recognized within the "Others" category in the table above, include the results from Jointly Financed Activities with the African Development Bank and the Asian Development Bank.

7. Miscellaneous Income

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| (a) General and Related Funds | | |
| Bank and term deposit interest | 2,740 | 11,204 |
| Short-term investment (loss) / income | (5,059) | 3,339 |
| Lapse of accrued liabilities | 5,090 | 3,607 |
| Bank charges | (2,412) | (2,303) |
| Bank interest paid | (81) | (1,835) |
| Contribution from the Russian Federation | - | 7,877 |
| Other | 1,637 | 1,762 |
| | 1,915 | 23,651 |
| (b) Trust and UNDP Funds | | |
| Transfer of Interest to Donors | 5,486 | 36,333 |
| Total Miscellaneous Income | 7,401 | 59,984 |

8. Return on Investments – Long Term

| | 2008-09 | 2006-07 |
|---|-----------------|---------------|
| | USD 000 | USD 000 |
| (Loss)/gain on Investments – long term | (15,418) | 42,650 |

The net returns generated on the long term portfolio represent the investment income earned, in addition to gains and losses of market value realised in the 2008-09 biennium. The long-term investment portfolio represents the accumulated assets set aside over a period of decades to fund the Organization's share of staff-related liabilities. The current investment guidelines for the long term portfolio have an asset allocation of approximately 50% equities and 50% fixed income. The fixed income portion is in Euros, while the equities are in US Dollars.

During the 2008-09 biennium, the return on the long term portfolio of investments generated a net loss of USD 15.4 million due to unfavorable market conditions.

9. Net Other Sundry Income

| | 2008-09 | 2006-07 |
|--------------------------------------|---------------|---------------|
| | USD 000 | USD 000 |
| Money and Medals Programme Income | 977 | 984 |
| Other Income | 15,425 | 13,361 |
| Total Net Other Sundry Income | 16,402 | 14,345 |

Net Other Sundry Income represents income from the sale of products for the Money and Medals Programme, including coins, medals and gift items, reimbursements to the Organization of expenditure incurred on behalf of third parties, and ad-hoc extra budgetary contributions in direct support or reimbursement of Regular Programme funded normative activities.

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10. Expenditure

| | 2008-09 | 2006-07 |
|---|------------------|------------------|
| | USD 000 | USD 000 |
| (a) General and Related Funds: | | |
| Staff salaries | 629,983 | 624,752 |
| Other human resources | 117,896 | 88,396 |
| Official travel | 74,460 | 54,028 |
| General operating expenses | 68,163 | 56,060 |
| Purchase of expendable and non-expendable equipment | 71,463 | 32,466 |
| Training | 12,575 | 8,129 |
| Contracts | 60,396 | 44,824 |
| Sundries | 18,820 | 16,920 |
| | 1,053,756 | 925,575 |
| (b) Trust and UNDP Funds | | |
| Staff salaries | 200,317 | 165,620 |
| Other human resources | 169,752 | 138,948 |
| Official travel | 116,416 | 91,643 |
| General operating expenses | 64,298 | 52,512 |
| Purchase of expendable and non-expendable equipment | 327,239 | 218,768 |
| Training | 48,604 | 31,540 |
| Contracts | 198,091 | 142,083 |
| Sundries | 10,590 | 7,907 |
| | 1,135,307 | 849,021 |
| Total Expenditure | 2,189,063 | 1,774,596 |

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

| | 2008-09 | 2006-07 |
|--|------------------|----------------|
| | USD 000 | USD 000 |
| Regular Programme | 983,988 | 888,075 |
| TCP prior biennium appropriation | 68,595 | 35,556 |
| Information Products Revolving Fund | 678 | 1,062 |
| Sundry | 495 | 882 |
| Total General and Related Funds Expenditure | 1,053,756 | 925,575 |

Regular Programme expenditure includes USD 49.3 million of expenditure related to the 2008-09 TCP appropriation; USD 15.9 million of Capital Expenditure spending associated with Chapter 8 of the Programme of Work and Budget; USD 19.8 million of Security Expenditure spending associated with Chapter 9 of the Programme of Work and Budget. Regular Programme expenditure excludes USD 22.0 million of costs in relation to After Service Medical Plan payments which are recognized as expense for Statement IV purposes but recorded as reduction in ASMC liability in Statement II for financial reporting purposes (refer also to Statement IV).

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11. Amortization of Staff Related Liabilities

| | 2008-09 | 2006-07 |
|---------------------------------------|---------|---------|
| | USD 000 | USD 000 |
| After Service Medical Coverage | - | 45,445 |

Prior to 31 December 2007, after service liabilities were accounted for following a funding methodology such that the portion of after service staff liabilities recorded in Statement II approximately reflected only that amount for which assets were set aside to fund such liabilities. The amortization of the after service medical coverage liability represented the amount of the unrecorded portion of the total liability which was being recorded on Statement II and which would have been required to be matched by Member Nation contributions in order to achieve full funding by 2027.

12. Actuarial Losses

| | 2008-09 | 2006-07 |
|--------------------------------|---------------|---------|
| | USD 000 | USD 000 |
| After Service Medical Coverage | 17,165 | - |
| Compensation Payment Fund | 2,650 | - |
| Terminal Payments Fund | 2,237 | - |
| Total Actuarial Losses | 22,052 | - |

As of 31 December 2007, the Organization changed its accounting policy for after service benefits as part of an overall effort to move FAO toward full adoption of International Public Sector Accounting Standards. Consequently, the Organization has adopted the policy of utilizing the corridor method to recognize actuarial gains and losses. Under this method, actuarial gains and losses that exceed 10 per cent of the value of the actuarial liability are deferred and recognized over the expected average remaining working lives of the employees participating in the plan, which is currently estimated from 9.4 to 11.4 years. FAO opted for this method over immediate full recognition as it mitigates significant volatility in the reported value of the Plan liabilities caused by external factors, such as movements in the Euro-US Dollar exchange rate and discount rates, which are entirely out of FAO's control and which may ultimately offset over time. The amounts in the table above represent the portion of total actuarial losses as at 31 December 2008, which were recognized in 2009 by plan. The total value of unrecognized actuarial losses as at 31 December 2009 amounts to USD 328.4 million (refer to Note 23).

13. Interest Cost of Staff Related Liabilities

| | 2008-09 | 2006-07 |
|---|---------------|---------|
| | USD 000 | USD 000 |
| After Service Medical Coverage | 80,051 | - |
| Compensation Payment Fund | 2,002 | - |
| Terminal Payments Fund | 4,124 | - |
| Separation Payments | 8,572 | - |
| Total Interest Cost of Staff Related Liabilities | 94,749 | - |

Interest cost of USD 94.7 million represents the increase in the present value of the total recognized liabilities during the course of 2008-09.

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| | 2008-09 | 2006-07 |
|---|----------------|----------------|
| | USD 000 | USD 000 |
| Accounts Receivable | (154) | (4,116) |
| Cash and Bank | 12 | (426) |
| Government Cash Contributions | 25 | 566 |
| Trust Fund and UNDP | (6,417) | (466) |
| Total Provisions for Contributions Receivable and Other Assets | (6,534) | (4,442) |

Provisions for Contributions Receivable and Other Assets represents the net of new provisions created in the period against assets that may not be fully recoverable, offset by the release of amounts no longer required.

15. Investments

| | 2008-09 | 2006-07 |
|---|------------------|----------------|
| | USD 000 | USD 000 |
| Trust and UNDP Funds | | |
| Short-Term Investments | 871,200 | 450,022 |
| Total Short-Term Investments | 871,200 | 450,022 |
| General and Related Funds | | |
| Long-Term Investments earmarked for: | | |
| Compensation Plan | 17,960 | 16,749 |
| Separation Payments Scheme | 90,000 | 82,173 |
| After-Service Medical Coverage | 186,750 | 200,732 |
| Total Long-Term Investments | 294,710 | 299,654 |
| Total Investments | 1,165,910 | 749,676 |

Investments are stated at fair market value. Long term investment securities are held by the custodian, Northern Trust Company, and are managed by external investment managers. Both long and short term portfolios consist of investments that are considered available-for-sale. The current investment guidelines for the long term portfolio have an asset allocation of approximately 50% equities and 50% fixed income. The fixed income portion is in Euros, while the equities are in US Dollars.

As in prior years, the Organization issued an additional assessment in 2008-09 of USD 14.1 million towards funding the past service portion of the After-Service Medical Coverage liability. The amounts received from this additional assessment are allocated to the long-term investment portfolio in proportion to the overall Member Nation assessments actually paid.

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| Unrealized gains/(losses) on investments | 2008-09 | 2006-07 |
|---|----------------|----------------|
| | USD 000 | USD 000 |
| Short-Term Investments | | |
| Cost | 870,772 | 452,195 |
| Market value | 871,200 | 450,022 |
| Unrealized gain/(loss) on short term investments | 428 | (2,173) |
| Long-Term Investments | | |
| Cost | 267,639 | 267,949 |
| Market value | 294,710 | 299,654 |
| Unrealized gain on long term investments | 27,071 | 31,705 |
| Total unrealized gain on short and long term investments | 27,499 | 29,532 |

The unrealized gain of USD 0.4 million on short term investments and the unrealized gain of USD 27.1 million on long term investments were recorded in the Reserves and Fund Balances.

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 be earmarked for the After Service Medical Coverage liability and subsequently for the Terminal Payments liability. During 2008-09 long-term investments generated a realized net loss of USD 15.4 million (2006-07 - gain of USD 42.6 million).

16. Contributions Receivable

| | 2008-09 | 2006-07 |
|---|----------------|----------------|
| | USD 000 | USD 000 |
| (a) General and Related Funds | | |
| Assessment on Member Nations | 75,581 | 113,179 |
| Government Counterpart Cash Contributions | 4,397 | 6,534 |
| Working Capital Fund | 63 | 133 |
| Special Reserve Account | 2,350 | 2,448 |
| | 82,391 | 122,294 |
| (b) Trust and UNDP Funds | | |
| Voluntary Contributions | 4,800 | 6,197 |
| Funds receivable under inter-organizational arrangement | 9,912 | 12,011 |
| | 14,712 | 18,208 |
| Total Contributions Receivable | 97,103 | 140,502 |

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17. Provisions for Delays in Contributions

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| General and Related Funds: | | |
| Opening Balance as at 1 January 2008 and 2006 | 15,115 | 179,043 |
| Increase/(Decrease) in provision for contributions related to: | | |
| Assessments on Member Nations | - | (160,956) |
| Government Counterpart Cash Contributions | (2,137) | (566) |
| Special Reserve Account assessments | - | (2,296) |
| Working Capital Fund assessments | - | (110) |
| Net increase/(decrease) in provision for contributions | (2,137) | (163,928) |
| Closing Balance as at 31 December 2009 and 2007 | 12,978 | 15,115 |
| Of which Provision for: | | |
| Assessments on Member Nations | 8,405 | 8,405 |
| Government Counterpart Cash Contributions | 4,397 | 6,534 |
| Special Reserve Account assessments | 151 | 151 |
| Working Capital Fund assessments | 25 | 25 |
| Closing Balance as at 31 December 2009 and 2007 | 12,978 | 15,115 |
| Trust and UNDP Funds: | | |
| Opening Balance as at 1 January 2008 and 2006 | - | - |
| Provision for contributions | 6,883 | - |
| Closing Balance as at 31 December 2009 and 2007 | 6,883 | - |
| Total Closing Balance as at 31 December 2009 and 2007 | 19,861 | 15,115 |

As of 31 December 2009, the Provision for Assessments on Member Nations, Special Reserve Account and Working Capital Fund assessments relates entirely to a former Member Nation (ex-Yugoslavia).

The decrease related to Government Counterpart Cash Contributions reflects the net decrease in amounts of the related gross contributions receivable outstanding (refer to Note 16).

18. Accounts Receivable

| | 2008-09 USD 000 | 2006-07 USD 000 |
|---|--------------------|--------------------|
| Accounts Receivable, advances and prepayments | 33,870 | 35,451 |
| Other UN and non UN organizations | 6,817 | 11,526 |
| Accrued interest and other | 2,888 | 2,962 |
| | 43,575 | 49,939 |
| Less: Provision for Accounts Receivable | (1,786) | (4,115) |
| Total Accounts Receivable | 41,789 | 45,824 |

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Accounts Receivable, advances and prepayments at 31 December 2009 includes USD 10.1 million of advances to staff members against their earned Separation Payment Scheme entitlements (2006-07 - USD 14.9 million). Such amount will be deducted from the final entitlements to be paid out upon end of the staff members' service (Refer to Note 23 for further details).

Accounts Receivable is reported net of a provision to state balances at their expected net realizable value.

19. Contributions Received in Advance

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| (a) General and Related Funds: | | |
| Assessment on Member Nations | 405 | 62 |
| (b) Trust and UNDP Funds: | | |
| Voluntary contributions | 785,488 | 564,830 |
| Total Contributions Received in Advance | 785,893 | 564,892 |

Contributions Received in Advance for Trust and UNDP Funds represent the part of voluntary contributions, received from various donors, which has not yet been utilized for the implementation of the relevant projects. Income on Trust Fund and UNDP projects is recognized as project expenditure is incurred and the balance of contributions received in advance reduced accordingly. In accordance with the Donor Agreements, any unspent balance is at the disposal of donors.

The contributions received in advance are maintained in cash and short term investments and interest income on these balances is transferred to Trust Funds and UNDP donor accounts.

Interest income attributed to cash and short term investments related to Voluntary Contributions and transferred to Trust Funds and UNDP donor accounts included above amounted to USD 5.5 million (2006-07 - USD 36.3 million).

20. Unliquidated Obligations

Unliquidated obligations represent amounts committed for the cost of personnel, contracts and outstanding purchase orders entered into as at 31 December 2009.

21. Accounts Payable

| | 2008-09 | 2006-07 |
|-------------------------------|---------------|---------------|
| | USD 000 | USD 000 |
| Field disbursements | 996 | 1,447 |
| Pension and medical schemes | 4,081 | 2,818 |
| Staff fiduciary accounts | 17,831 | 20,673 |
| Other accounts payable | 9,870 | 13,254 |
| Total Accounts Payable | 32,778 | 38,192 |

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.

22. Deferred Income

| | 2008-09 | 2006-07 |
|---|-----------------|---------------|
| | USD 000 | USD 000 |
| Opening Balance as at 1 January 2008 and 2006 | 68,595 | 35,556 |
| Add: 2008-09 Regular Programme assessment relating to TCP appropriation (2006-07) | 103,412 | 95,703 |
| Less: Transferred to income in respect of expenditures incurred against: | | |
| (i) TCP 2006-07 appropriation (2004-05) | (68,595) | (35,556) |
| (ii) TCP 2008-09 appropriation (2006-07) | (49,313) | (27,108) |
| Net increase/(decrease) in deferred revenue during the biennium | (14,496) | 33,039 |
| Closing Balance as at 31 December 2009 and 2007 | 54,099 | 68,595 |

The Technical Cooperation Programme (“TCP”) was launched in 1976 to make FAO’s specialized competence more readily available to member countries to solve pressing development problems in the agriculture, fisheries and forestry sectors as well as to address related rural development and socio-economic issues.

TCP is a Regular Programme activity funded through assessed Member Nation Contributions. Appropriations are available over two biennia. The amount of appropriation unutilized in the first biennium is recorded as deferred revenue and can be carried forward to be fully utilized in the following biennium. Deferred revenue as recorded in Statement II is calculated as the difference between the total appropriation as set out in the Programme of Work and Budget less actual expenditure incurred. All expenditure in currencies other than US Dollars is translated at the UN Operational Rate of exchange in effect at the date of the transaction.

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23. Staff Related Schemes

| | 2008-09 | 2006-07 |
|---|------------------|----------------|
| | USD 000 | USD 000 |
| Compensation Payments | 17,960 | 16,749 |
| Separation Payments | 100,149 | 97,079 |
| Terminal Payments | 58,231 | 29,177 |
| After Service Medical Coverage | 934,525 | 576,142 |
| Total Staff Related Schemes | 1,110,865 | 719,147 |
| Less: Unrecognized Actuarial loss | (328,422) | - |
| Total Recorded Staff Related Schemes | 782,443 | 719,147 |

As of 1 January 2008, the Organization has adopted the policy of utilizing the corridor method to recognize actuarial gains and losses. Under this method, actuarial gains and losses that exceed 10 per cent of the value of the actuarial liability are deferred and recognized over the expected average remaining working lives of the employees participating in the plan, which is currently estimated from 9.4 to 11.4 years.

Of the total amount of USD 328.4 million deferred at 31 December 2009, USD 280.8 million relates to ASMC; USD 37.1 million relates to TPF; and, USD 10.5 million relates to SPS.

The following table shows the total actuarial value of Staff Related Schemes less the assets earmarked to fund them as per Conference Resolutions 10/99 and 10/01 and less advance payments to staff members of earned entitlements under the Separation Payment Scheme as at 31 December 2009:

| | 2008-09 | 2006-07 |
|--|------------------|----------------|
| | USD 000 | USD 000 |
| Total Staff Related Schemes | 1,110,865 | 719,147 |
| Less: Earmarked long-term investments at fair market value | (294,710) | (299,654) |
| Less: Advances on Separation Payments Scheme | (10,149) | (14,905) |
| Total Unfunded Staff Related Schemes | 806,006 | 404,588 |

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 Term Cost Method. Principal actuarial assumptions and the actuarial present value of expected claims of the last actuarial valuation as at 31 December 2009 (and 2007) are as follows:

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| | 2009 | 2007 |
|---|---------------|---------------|
| (i) Annual discount rate | 5.9% | 5.6% |
| (ii) General inflation rate | 2.5% | 2.5% |
| Actuarial Present Value of Defined Benefit Obligation (USD 000s) | 17,960 | 16,749 |

Separation Payments

Separation Payments are due to General Service category staff at Headquarters who are entitled to receive a separation payment equivalent to 1/12th of the staff member's Final Net Annual Salary rate multiplied by years of service between 1 January 1975 and 31 December 1990, plus 1/13.5th of the staff member's Final Net Annual Salary rate multiplied by years of service after January, 1, 1991. Separation Payments are subject to actuarial review to ascertain the liabilities and recommend rates of contribution. The valuation method used is the Projected Unit Credit Cost Method. Principal actuarial assumptions and the actuarial present value of expected claims of the last actuarial valuation as at 31 December 2009 (and 2007) are as follows:

| | 2009 | 2007 |
|---|----------------|---------------|
| (i) Annual discount rate | 5.1% | 5.6% |
| (ii) Salary inflation rate | 3.0% | 3.0% |
| Actuarial Present Value of Defined Benefit Obligation (USD 000s) | 100,149 | 97,079 |

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. Principal actuarial assumptions and the actuarial present value of expected claims of the last actuarial valuation as at 31 December 2009 (and 2007) are as follows:

| | 2009 | 2007 |
|---|---------------|---------------|
| (i) Annual discount rate | 5.8% | 5.6% |
| (ii) Salary inflation rate | 3.0% | 3.0% |
| Actuarial Present Value of Defined Benefit Obligation (USD 000s) | 58,231 | 29,177 |

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 with Service Prorate. Principal actuarial assumptions and the actuarial present value of expected claims of the last actuarial valuation as at 31 December 2009 (and 2007) are as follows:

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| | 2009 | 2007 |
|---|----------------|----------------|
| (i) Annual discount rate | 5.4% | 5.6% |
| (ii) Salary inflation rate | 3.0% | 3.0% |
| (iii) Medical Inflation rate (as at 31 December 2009, the rate is assumed to be 6% during 2010 and 5% thereafter. As at 31 December 2007, the medical inflation rate was assumed to be a flat 5% for all years. | 6% | 5% |
| Actuarial Present Value of Defined Benefit Obligation (USD 000s) | 934,525 | 576,142 |

24. Pensions

The Organization is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded, defined benefit plan. The financial obligation of the Organization to the UNJSPF consists of its mandated contribution, at the rate established by the United Nations General Assembly, together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Pension Fund as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked this provision.

The actuarial method adopted for the United Nations Joint Staff Pension Fund (UNJSPF) is the Open Group Aggregate method. The cost of providing pensions is charged to the income statement of the UNJSPF so as to spread the regular cost over the service lives of employees, in accordance with the advice of the actuaries, who carry out a full valuation of the period plan every two years. The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the plan.

FAO, as well as other participating organizations, is not in the position to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes, and hence has not recorded any assets or liabilities in its accounts in this regard, nor included related information pertaining to the plan such as actuarial assumptions in its footnotes. The Organization makes contributions on behalf of its staff (currently payable by the participant and FAO at 7.9% and 15.8%, respectively, of the staff member's pensionable remuneration) and records its share of the contribution as expenditure within Staff costs. Total retirement plan expenditure incurred by the Organization for the biennium 2008-09 amounted to USD 111.2 million (2006-07 – USD 102.4 million).

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25. Working Capital Fund

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| Authorized level at 1 January 2008 and 2006 | 25,678 | 25,395 |
| New Member Nations | - | 283 |
| Authorized level at 31 December 2009 and 2007 | 25,678 | 25,678 |
| Opening Balance as at 1 January 2008 and 2006 | 25,654 | - |
| Net transfers from/(to) General Fund | - | 25,197 |
| Assessments to New Member Nations | - | 283 |
| Net decrease in provision | - | 109 |
| Other | - | 65 |
| Closing Balance as at 31 December 2009 and 2007 | 25,654 | 25,654 |

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 authorize in specific cases. The authorized level of the Working Capital Fund was set by Conference resolution 15/91 at USD 25 million and is increased by the Working Capital Assessments on new Member Nations.

26. Special Reserve Account

| | 2008-09 USD 000 | 2006-07 USD 000 |
|---|--------------------|--------------------|
| Authorized level at 1 January 2008 and 2006 | 46,490 | 38,285 |
| Opening Balance as at 1 January 2008 and 2006 | 25,623 | - |
| Exchange differences on translation of foreign currencies | (6,663) | 19,411 |
| Net transfer from/(to) General Fund | - | 10,316 |
| Other transfer to General Fund for unbudgeted General Service salary increase | - | (6,400) |
| Total transfers from/(to) General Fund | (6,663) | 23,327 |
| Receipts from Member Nations | - | - |
| Net decrease in provision | - | 2,296 |
| Closing Balance as at 31 December 2009 and 2007 | 18,960 | 25,623 |

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 authorized level of the Special Reserve Account is set by Conference Resolution 13/81 at 5% of the effective working budget for

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the respective subsequent biennium, amounting to USD 46.5 million in 2008-09. Net gains or losses on exchange are charged to the Special Reserve Account.

27. Capital Expenditure Account

| | 2008-09 USD 000 | 2006-07 USD 000 |
|--|--------------------|--------------------|
| Opening Balance at 1 January 2008 and 2006 | 3,223 | 10,112 |
| Approved appropriations | 20,378 | 4,725 |
| Expenditure under Chapter 8 of Programme of Work and Budget | (15,909) | (13,314) |
| Transfer from other budgetary chapters | 2,500 | 1,700 |
| Net increase/(decrease) in capital expenditure account during the biennium | 6,969 | (6,889) |
| Closing balance at 31 December 2009 and 2007 | 10,192 | 3,223 |

The Capital Expenditure Account was established by Conference Resolution 10/2003 as Chapter 8 of the Programme of Work and Budget and incorporated in Financial Regulation 6.11.

The purpose of the Capital Expenditure Account is to manage activities which involve capital expenditure, defined as being: (i) expenditures on tangible or intangible assets with a useful life in excess of the Organization'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.

Unutilized Chapter 8 appropriations at the close of the financial period are transferred to the Capital Expenditure Account and can be carried forward for use in subsequent financial periods.

At 31 December 2009, the balance of the Capital Expenditure Account includes USD 2.5 million of additional appropriation which was transferred from end of biennium surpluses in other Chapters in accordance with C2009/REP (refer also to Statement IV).

28. Security Expenditure Account

| | 2008-09 USD 000 | 2006-07 USD 000 |
|---|--------------------|--------------------|
| Opening Balance at 1 January 2008 and 2006 | - | - |
| Approved appropriations | 23,420 | - |
| Expenditure under Chapter 9 of Programme of Work and Budget | (19,765) | - |
| Closing balance at 31 December 2009 and 2007 | 3,655 | - |

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The Security Expenditure Account was established by Conference Resolution 5/2005 as Chapter 9 of the Programme of Work and Budget and incorporated in Financial Regulation 6.12.

The purpose of the Security Expenditure Account is to manage activities which involve security expenditure, defined as being: (i) expenditures on headquarters security provisions; (ii) expenditures on field security provisions to ensure in particular the Organization's participation in the UN security management system and compliance with its provisions for field security.

Unutilized Chapter 9 appropriations at the close of the financial period are transferred to the Security Expenditure Account and can be carried forward for use in subsequent financial periods.

29. Special Fund for Emergency and Rehabilitation Activities

The purpose of the Special Fund for Emergency and Rehabilitation Activities (SFERA) is to enable the Organization to rapidly initiate emergency operations by participating in interagency needs assessment and coordination activities, establishing an emergency coordination unit (ECU), preparing a programme framework and projects, and providing advance funding for procurement of inputs when a donor's commitment has been obtained.

| | 2008-09 | 2006-07 |
|--|---------------|---------------|
| | USD 000 | USD 000 |
| Opening Balance at 1 January 2008 and 2006 | 25,249 | 11,421 |
| Movements of the SFERA during the biennium: | | |
| Contributions Received from Donors | 15,719 | 33,371 |
| Transfer of emergency support cost reimbursements from the cost recovery account | 6,885 | 14,228 |
| Advances to projects | (65,329) | (27,663) |
| Applications to Trust Funds projects | (14,355) | (32,471) |
| Refund of Advances | 65,310 | 26,363 |
| Closing balance at 31 December 2009 and 2007 | 33,479 | 25,249 |

30. Contingent Liabilities

Rome Municipal Garbage Tax

Effective 14 July 2009, through an "Atto di Conciliazione" FAO and the Rome Municipality reached an agreement on a long standing dispute related to assessment for garbage collection tax. As a result, FAO settled the claim by paying a total of Euro 2.5 million (USD 3.7 million at prevailing exchange rates). Of the total amount paid, USD 1.8 million had previously been provided for in 2001 and 2002, while the remaining USD 1.9 million was charged to expenditure during the current biennium.

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Labor-related and other Claims

As part of its normal ongoing operations, FAO receives claims related to labor or contract disputes. The total amount of such claims is approximately USD 2.3 million. The Organization deems existing complaints against it to be without merit and intends to defend itself fully in all cases. While FAO does not believe it probable that it will incur any liabilities related to these complaints, the Organization cannot exclude the possibility that some claims will result in unfavorable judgments.

31. 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:

| | 2008-09 | 2006-07 |
|--|----------------|----------------|
| | USD 000 | USD 000 |
| General and Related Funds | 59,076 | 66,709 |
| Trust and UNDP Funds | 70,149 | 62,668 |
| Total Equipment, Furniture and Vehicles | 129,225 | 129,377 |

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 USD 45.9 million and USD 6.1 million per year (2006-07 - USD 43.2 million and USD 8.2 million) respectively.

Non- freely Convertible Currencies

During the normal course of business, FAO operates in jurisdictions whose local currency is non-freely convertible. FAO defines non-freely convertible currencies as those for which either no market exists or those which FAO's corporate bank will only sell and not buy.

At 31 December 2009, cash balances held in non-freely convertible currencies amounted to USD 7.9 million (31 December 2007 - USD 5.7 million). FAO expects to fully utilize this amount to meet local liquidity needs.

Currency Swaps

With the introduction of split assessments, the Organization has entered into US Dollar/Euro swaps with authorized counterparty banks to fund delays of Euro receipts from Member Nations throughout the biennium. At 31 December 2009, there was one open position with a nominal value of € 25 million, closed on 19 January 2010. The fair market value of this outstanding swap at 31 December 2009 was approximately USD 0.8 million.

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
**Schedule I: Assessed Contributions Outstanding for the Regular Programme
at 31 December 2009 (expressed in USD000)**

| Member Nation | 2006 & prior | 2007 | 2008 | 2009 | Instalments due in future years | Grand total |
|------------------------------------|--------------|------|-------|-------|------------------------------------|-------------|
| Antigua and Barbuda | 331 | 13 | 10 | 10 | 0 | 364 |
| Argentina | 3,567 | 0 | 0 | 1,586 | 0 | 5,153 |
| Armenia | 0 | 0 | 0 | 0 | 1,353 | 1,353 |
| Azerbaijan | 0 | 0 | 0 | 0 | 503 | 503 |
| Bolivia | 2 | 0 | 36 | 29 | 0 | 67 |
| Botswana | 0 | 0 | 0 | 38 | 0 | 38 |
| Bulgaria | 0 | 0 | 0 | 96 | 0 | 96 |
| Burundi | 0 | 0 | 0 | 0 | 33 | 33 |
| Chile | 229 | 582 | 433 | 0 | 0 | 1,244 |
| Colombia | 0 | 0 | 0 | 282 | 0 | 282 |
| Comoros | 281 | 4 | 5 | 5 | 0 | 295 |
| Cook Islands | 0 | 0 | 0 | 5 | 0 | 5 |
| Costa Rica | 102 | 79 | 86 | 86 | 0 | 353 |
| Cote d'Ivoire | 15 | 26 | 44 | 44 | 0 | 129 |
| Cuba | 6 | 112 | 184 | 262 | 0 | 564 |
| Djibouti | 0 | 0 | 5 | 5 | 0 | 10 |
| Dominican Republic | 145 | 137 | 116 | 116 | 0 | 514 |
| El Salvador | 0 | 0 | 0 | 4 | 0 | 4 |
| Equatorial Guinea | 0 | 0 | 5 | 9 | 0 | 14 |
| Gabon | 0 | 0 | 0 | 39 | 0 | 39 |
| Georgia | 0 | 0 | 1,217 | 0 | 0 | 1,217 |
| Grenada | 0 | 0 | 0 | 5 | 0 | 5 |
| Guatemala | 0 | 0 | 56 | 86 | 0 | 142 |
| Guinea | 0 | 0 | 0 | 1 | 0 | 1 |
| Guinea-Bissau | 108 | 4 | 5 | 5 | 0 | 122 |
| Guyana | 0 | 0 | 1 | 3 | 0 | 4 |
| Honduras | 0 | 0 | 0 | 2 | 0 | 2 |
| Iraq | 5,544 | 0 | 40 | 0 | 0 | 5,584 |
| Kiribati | 2 | 2 | 0 | 0 | 0 | 4 |
| Korea, Republic of | 0 | 0 | 0 | 6,110 | 0 | 6,110 |
| Kyrgyzstan | 873 | 4 | 3 | 0 | 0 | 880 |
| Liberia | 283 | 3 | 3 | 3 | 0 | 292 |
| Libyan Arab Jamahiriya | 0 | 74 | 0 | 135 | 0 | 209 |
| Madagascar | 0 | 0 | 0 | 5 | 0 | 5 |
| Mexico | 0 | 0 | 0 | 5,470 | 0 | 5,470 |
| Micronesia, Federated States of | 0 | 2 | 3 | 3 | 0 | 8 |
| Moldova | 0 | 0 | 0 | 0 | 465 | 465 |
| Montenegro | 0 | 0 | 2 | 0 | 0 | 2 |
| Nauru | 8 | 3 | 3 | 3 | 0 | 17 |
| Nicaragua | 6 | 4 | 10 | 10 | 0 | 30 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Schedule I: Assessed Contributions Outstanding for the Regular Programme
at 31 December 2009 (expressed in USD000)**

| Member Nation | 2006 & prior | 2007 | 2008 | 2009 | Instalments due in future years | Grand total |
|--------------------------------------|---------------|--------------|--------------|---------------|------------------------------------|---------------|
| Niger | 0 | 0 | 0 | 4 | 0 | 4 |
| Nigeria | 0 | 0 | 28 | 93 | 0 | 121 |
| Pakistan | 0 | 0 | 3 | 285 | 0 | 288 |
| Palau | 12 | 4 | 5 | 5 | 0 | 26 |
| Paraguay | 52 | 31 | 13 | 24 | 0 | 120 |
| Peru | 0 | 294 | 378 | 378 | 0 | 1,050 |
| Philippines | 0 | 0 | 0 | 6 | 0 | 6 |
| Poland | 0 | 0 | 0 | 1,056 | 0 | 1,056 |
| Qatar | 0 | 0 | 0 | 133 | 0 | 133 |
| Saint Lucia | 0 | 0 | 0 | 5 | 0 | 5 |
| Sao Tome and Principe | 278 | 4 | 5 | 5 | 0 | 292 |
| Seychelles | 0 | 0 | 0 | 0 | 93 | 93 |
| Sierra Leone | 8 | 3 | 3 | 3 | 0 | 17 |
| Solomon Islands | 56 | 0 | 0 | 0 | 0 | 56 |
| Somalia | 354 | 4 | 5 | 5 | 0 | 368 |
| Spain | 0 | 0 | 0 | 6,471 | 0 | 6,471 |
| St Vincent and the Grenadines | 0 | 0 | 0 | 2 | 0 | 2 |
| Sudan | 0 | 0 | 0 | 17 | 0 | 17 |
| Tajikistan | 125 | 0 | 3 | 5 | 0 | 133 |
| Timor-Leste | 0 | 2 | 2 | 3 | 0 | 7 |
| Tunisia | 0 | 0 | 1 | 0 | 0 | 1 |
| Turkmenistan | 463 | 21 | 29 | 29 | 0 | 542 |
| Uganda | 0 | 0 | 0 | 7 | 0 | 7 |
| Ukraine | 0 | 0 | 0 | 218 | 0 | 218 |
| United States of America | 1,826 | 0 | 0 | 22,495 | 0 | 24,321 |
| Uruguay | 0 | 0 | 0 | 58 | 0 | 58 |
| Uzbekistan | 0 | 60 | 0 | 0 | 0 | 60 |
| Vanuatu | 0 | 0 | 5 | 5 | 0 | 10 |
| Venezuela, Bolivarian Republic of | 0 | 0 | 0 | 65 | 0 | 65 |
| Yugoslavia 1990-2000 | 8,405 | 0 | 0 | 0 | 0 | 8,405 |
| TOTAL | 23,081 | 1,472 | 2,747 | 45,834 | 2,447 | 75,581 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
**Annex I: Status of Technical Cooperation Programme Projects Funded Against
2008-09 Appropriation at 31 December 2009**

| Country | No. Projects | Budget | Expenditure | Balance |
|-----------------------------------|--------------|------------|-------------|------------|
| | | (USD '000) | (USD '000) | (USD '000) |
| AFRICA | | | | |
| Algeria | 2 | 193 | 48 | 145 |
| Angola | 2 | 772 | 430 | 342 |
| Benin | 5 | 1,575 | 860 | 715 |
| Botswana | 1 | 202 | 93 | 109 |
| Burkina Faso | 2 | 362 | 169 | 193 |
| Burundi | 3 | 961 | 795 | 166 |
| Cameroon | 3 | 719 | 185 | 534 |
| Cape Verde | 3 | 738 | 413 | 325 |
| Central African Republic | 1 | 500 | 517 | (17) |
| Chad | 4 | 1,435 | 501 | 934 |
| Comoros | 3 | 781 | 454 | 327 |
| Congo | 2 | 571 | 263 | 308 |
| Congo, The Democratic Republic of | 4 | 1,431 | 594 | 837 |
| Cote d'Ivoire | 2 | 350 | 149 | 201 |
| Equatorial Guinea | 1 | 130 | 80 | 50 |
| Eritrea | 4 | 1,534 | 586 | 948 |
| Ethiopia | 3 | 897 | 229 | 668 |
| Gabon | 3 | 830 | 76 | 754 |
| Gambia | 5 | 1,516 | 668 | 848 |
| Ghana | 1 | 500 | 502 | (2) |
| Guinea | 4 | 1,273 | 465 | 808 |
| Guinea-Bissau | 2 | 561 | 404 | 157 |
| Kenya | 3 | 1,045 | 173 | 872 |
| Lesotho | 2 | 571 | 111 | 460 |
| Liberia | 4 | 1,374 | 434 | 940 |
| Madagascar | 4 | 1,506 | 979 | 527 |
| Malawi | 3 | 1,035 | 618 | 417 |
| Mali | 2 | 698 | 603 | 95 |
| Mauritania | 1 | 94 | 64 | 30 |
| Mauritius | 3 | 714 | 206 | 508 |
| Mozambique | 4 | 1,361 | 700 | 661 |
| Namibia | 1 | 263 | 226 | 37 |
| Niger | 1 | 122 | 76 | 46 |
| Nigeria | 2 | 695 | 169 | 526 |
| Regional Africa | 13 | 3,724 | 1,885 | 1,839 |
| Rwanda | 3 | 827 | 606 | 221 |
| Sao Tome and Principe | 2 | 363 | 259 | 104 |
| Senegal | 2 | 629 | 200 | 429 |
| Seychelles | 2 | 352 | 308 | 44 |
| Sierra Leone | 4 | 1,325 | 1,149 | 176 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Annex I: Status of Technical Cooperation Programme Projects Funded Against
2008-09 Appropriation at 31 December 2009**

| Country | No. Projects | Budget | Expenditure | Balance |
|--|--------------|-------------------|-------------------|-------------------|
| | | <i>(USD '000)</i> | <i>(USD '000)</i> | <i>(USD '000)</i> |
| Swaziland | 1 | 72 | 66 | 6 |
| Tanzania, United Republic of | 1 | 500 | 505 | (5) |
| Togo | 3 | 1,131 | 652 | 479 |
| Uganda | 4 | 1,548 | 84 | 1,464 |
| Zambia | 3 | 1,067 | 593 | 474 |
| Zimbabwe | 3 | 964 | 501 | 463 |
| TOTAL AFRICA | 131 | 39,811 | 19,648 | 20,163 |
| ASIA | | | | |
| Bangladesh | 4 | 1,411 | 660 | 751 |
| Bhutan | 2 | 681 | 758 | (77) |
| Cambodia | 4 | 1,544 | 420 | 1,124 |
| China | 4 | 1,370 | 354 | 1,016 |
| India | 2 | 583 | 183 | 400 |
| Indonesia | 3 | 1,002 | 292 | 710 |
| Kazakhstan | 2 | 518 | 18 | 500 |
| Korea, Democratic People's Republic of | 4 | 1,335 | 1,029 | 306 |
| Lao, People's Democratic Republic | 3 | 1,124 | 859 | 265 |
| Malaysia | 1 | 30 | 26 | 4 |
| Maldives | 3 | 620 | 252 | 368 |
| Mongolia | 4 | 1,399 | 598 | 801 |
| Myanmar | 4 | 1,164 | 678 | 486 |
| Nepal | 3 | 1,270 | 984 | 286 |
| Pakistan | 3 | 1,223 | 714 | 509 |
| Philippines | 4 | 1,681 | 546 | 1,135 |
| Regional Asia Pacific | 14 | 5,638 | 1,961 | 3,677 |
| Sri Lanka | 4 | 1,283 | 538 | 745 |
| Thailand | 3 | 867 | 109 | 758 |
| Timor-Leste | 1 | 200 | 124 | 76 |
| Viet Nam | 3 | 1,270 | 656 | 614 |
| TOTAL ASIA | 75 | 26,213 | 11,759 | 14,454 |
| EUROPE | | | | |
| Albania | 1 | 40 | 10 | 30 |
| Armenia | 3 | 1,130 | 562 | 568 |
| Azerbaijan | 2 | 490 | 135 | 355 |
| Bosnia and Herzegovina | 1 | 200 | 133 | 67 |
| Croatia | 1 | 200 | 0 | 200 |
| Georgia | 1 | 194 | 53 | 141 |
| Macedonia, The Former Yugoslav | 2 | 493 | 121 | 372 |
| Moldova, Republic of | 3 | 842 | 571 | 271 |
| Poland | 1 | 160 | 6 | 154 |
| Regional Europe | 5 | 1,170 | 0 | 1,170 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
**Annex I: Status of Technical Cooperation Programme Projects Funded Against
2008-09 Appropriation at 31 December 2009**

| Country | No. Projects | Budget | Expenditure | Balance |
|-----------------------------------|--------------|--------------|--------------|--------------|
| | | (USD '000) | (USD '000) | (USD '000) |
| Russian Federation | 1 | 104 | 63 | 41 |
| Serbia | 3 | 725 | 69 | 656 |
| Turkey | 2 | 687 | 248 | 439 |
| Ukraine | 1 | 232 | 94 | 138 |
| TOTAL EUROPE | 27 | 6,667 | 2,065 | 4,602 |
| TOTAL GLOBAL INTERREGIONAL | 4 | 1,402 | 370 | 1,032 |
| LATIN AMERICA | | | | |
| Antigua and Barbuda | 1 | 250 | 242 | 8 |
| Argentina | 2 | 579 | 180 | 399 |
| Bahamas | 2 | 436 | 342 | 94 |
| Barbados | 1 | 250 | 256 | (6) |
| Belize | 3 | 805 | 469 | 336 |
| Bolivia | 3 | 1,183 | 256 | 927 |
| Brazil | 1 | 234 | 81 | 153 |
| Chile | 2 | 702 | 309 | 393 |
| Colombia | 2 | 525 | 324 | 201 |
| Costa Rica | 2 | 530 | 274 | 256 |
| Cuba | 1 | 200 | 38 | 162 |
| Dominica | 2 | 293 | 279 | 14 |
| Dominican Republic | 3 | 864 | 521 | 343 |
| Ecuador | 3 | 999 | 216 | 783 |
| El Salvador | 3 | 555 | 193 | 362 |
| Grenada | 1 | 250 | 248 | 2 |
| Guatemala | 1 | 105 | 50 | 55 |
| Guyana | 2 | 369 | 258 | 111 |
| Haiti | 1 | 75 | 8 | 67 |
| Honduras | 3 | 1,180 | 444 | 736 |
| Jamaica | 2 | 449 | 339 | 110 |
| Mexico | 2 | 466 | 127 | 339 |
| Nicaragua | 2 | 799 | 686 | 113 |
| Paraguay | 2 | 569 | 89 | 480 |
| Peru | 1 | 300 | 171 | 129 |
| Regional Latin America | 13 | 5,170 | 639 | 4,531 |
| Saint Kitts and Nevis | 2 | 310 | 282 | 28 |
| Saint Lucia | 2 | 609 | 266 | 343 |
| Saint Vincent and the Grenadines | 2 | 355 | 316 | 39 |
| Suriname | 2 | 391 | 185 | 206 |
| Trinidad and Tobago | 1 | 181 | 84 | 97 |
| Uruguay | 2 | 476 | 225 | 251 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Annex I: Status of Technical Cooperation Programme Projects Funded Against
2008-09 Appropriation at 31 December 2009**

| Country | No. Projects | Budget | Expenditure | Balance |
|-----------------------------------|--------------|-------------------|-------------------|-------------------|
| | | <i>(USD '000)</i> | <i>(USD '000)</i> | <i>(USD '000)</i> |
| Venezuela, Bolivarian Republic of | 1 | 283 | 73 | 210 |
| TOTAL LATIN AMERICA | 73 | 20,742 | 8,470 | 12,272 |
| NEAR EAST | | | | |
| Afghanistan | 2 | 627 | 500 | 127 |
| Djibouti | 3 | 669 | 316 | 353 |
| Egypt | 2 | 405 | 370 | 35 |
| Iran Islamic Republic of | 1 | 22 | 8 | 14 |
| Jordan | 1 | 271 | 54 | 217 |
| Kyrgyzstan | 2 | 647 | 571 | 76 |
| Lebanon | 2 | 323 | 285 | 38 |
| Libyan Arab Jamahiriya | 2 | 271 | 8 | 263 |
| Morocco | 2 | 376 | 186 | 190 |
| Regional Arab States | 4 | 1,105 | 1,065 | 40 |
| Sudan | 2 | 624 | 449 | 175 |
| Syrian Arab Republic | 2 | 491 | 43 | 448 |
| Tajikistan | 2 | 589 | 230 | 359 |
| Tunisia | 3 | 834 | 310 | 524 |
| Turkmenistan | 1 | 427 | 27 | 400 |
| Uzbekistan | 2 | 450 | 88 | 362 |
| Yemen | 2 | 587 | 550 | 37 |
| TOTAL NEAR EAST | 35 | 8,718 | 5,060 | 3,658 |
| SOUTHWEST PACIFIC | | | | |
| Cook Islands | 1 | 79 | 44 | 35 |
| Fiji | 3 | 701 | 384 | 317 |
| Kiribati | 1 | 250 | 218 | 32 |
| Marshall Islands | 1 | 52 | 26 | 26 |
| Micronesia, Federated States of | 1 | 80 | 0 | 80 |
| Nauru | 1 | 58 | 16 | 42 |
| Palau | 1 | 31 | 0 | 31 |
| Papua New Guinea | 2 | 680 | 548 | 132 |
| Samoa | 3 | 590 | 345 | 245 |
| Solomon Islands | 2 | 267 | 42 | 225 |
| Tonga | 2 | 412 | 258 | 154 |
| Tuvalu | 1 | 284 | 0 | 284 |
| Vanuatu | 2 | 257 | 60 | 197 |
| TOTAL SOUTHWEST PACIFIC | 21 | 3,741 | 1,941 | 1,800 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Annex I: Status of Technical Cooperation Programme Projects Funded Against
2008-09 Appropriation at 31 December 2009**

| Country | No. Projects | Budget | Expenditure | Balance |
|--|--------------|----------------|---------------|---------------|
| | | (USD '000) | (USD '000) | (USD '000) |
| TOTAL | 366 | 107,294 | 49,313 | 57,981 |
| | | | | |
| 2008-09 Project Appropriation | | | 103,412 | |
| Total Expenditure | | | (49,313) | |
| Unobligated Balance carried forward in accordance with Financial Regulations 4.3 (Statement II) | | | 54,099 | |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Annex II: Status of Technical Cooperation Programme Projects Funded Against
2006-07 Appropriation at 31 December 2009**

| Country | No. Projects | Expenditure |
|--------------------------|--------------|-------------------|
| | | <i>(USD '000)</i> |
| AFRICA | | |
| Algeria | 3 | 264 |
| Angola | 4 | 686 |
| Benin | 3 | 382 |
| Botswana | 4 | 187 |
| Burkina Faso | 4 | 789 |
| Burundi | 3 | 571 |
| Cameroon | 5 | 1,060 |
| Cape Verde | 2 | 403 |
| Central African Republic | 3 | 416 |
| Chad | 1 | 52 |
| Congo | 3 | 257 |
| Congo, Dem. Rep. of | 4 | 485 |
| Cote d'Ivoire | 4 | 1,122 |
| Eritrea | 3 | 206 |
| Ethiopia | 3 | 741 |
| Gabon | 2 | 470 |
| Gambia | 3 | 243 |
| Ghana | 3 | 451 |
| Guinea | 3 | 526 |
| Guinea-Bissau | 2 | 45 |
| Kenya | 5 | 1,557 |
| Lesotho | 3 | 736 |
| Liberia | 2 | 38 |
| Madagascar | 3 | 278 |
| Malawi | 5 | 935 |
| Mali | 1 | 452 |
| Mauritania | 4 | 848 |
| Mauritius | 2 | 13 |
| Mozambique | 5 | 864 |
| Namibia | 2 | 48 |
| Niger | 3 | 830 |
| Nigeria | 3 | 777 |
| Regional Africa | 18 | 3,414 |
| Rwanda | 3 | 522 |
| Sao Tome and Principe | 3 | 390 |
| Senegal | 3 | 852 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
**Annex II: Status of Technical Cooperation Programme Projects Funded Against
2006-07 Appropriation at 31 December 2009**

| Country | No. Projects | Expenditure (USD '000) |
|--|--------------|---------------------------|
| Seychelles | 2 | 167 |
| Sierra Leone | 4 | 348 |
| South Africa | 3 | 192 |
| Swaziland | 3 | 1,012 |
| Tanzania, United Republic of | 3 | 184 |
| Togo | 3 | 372 |
| Uganda | 5 | 952 |
| Zambia | 3 | 491 |
| Zimbabwe | 2 | 340 |
| TOTAL AFRICA | 155 | 25,968 |
| ASIA | | |
| Bangladesh | 5 | 1,322 |
| Cambodia | 5 | 1,154 |
| China | 7 | 1,608 |
| India | 3 | 194 |
| Indonesia | 2 | 429 |
| Kazakhstan | 1 | 27 |
| Korea, Democratic People's Republic of | 6 | 1,212 |
| Lao People's Democratic Republic | 3 | 630 |
| Maldives | 1 | 56 |
| Mongolia | 5 | 1,289 |
| Myanmar | 3 | 708 |
| Nepal | 5 | 1,482 |
| Pakistan | 3 | 220 |
| Philippines | 3 | 492 |
| Regional Asia Pacific | 6 | 796 |
| Sri Lanka | 3 | 535 |
| Thailand | 4 | 504 |
| Timor-Leste | 1 | 489 |
| Viet Nam | 4 | 768 |
| TOTAL ASIA | 70 | 13,915 |
| EUROPE | | |
| Albania | 2 | 379 |
| Armenia | 3 | 671 |
| Azerbaijan | 3 | 326 |
| Bosnia and Herzegovina | 1 | 206 |
| Croatia | 3 | 450 |
| Georgia | 3 | 707 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

**Annex II: Status of Technical Cooperation Programme Projects Funded Against
2006-07 Appropriation at 31 December 2009**

| Country | No. Projects | Expenditure |
|-----------------------------------|--------------|-------------------|
| | | <i>(USD '000)</i> |
| Kosovo | 2 | 83 |
| Macedonia, The Former Yugoslav | 1 | 83 |
| Moldova, Republic of | 3 | 352 |
| Turkey | 3 | 827 |
| TOTAL EUROPE | 24 | 4,084 |
| TOTAL GLOBAL INTERREGIONAL | 4 | 941 |
| LATIN AMERICA | | |
| Antigua and Barbuda | 2 | 167 |
| Argentina | 4 | 365 |
| Bahamas | 2 | 154 |
| Barbados | 3 | 177 |
| Belize | 2 | 244 |
| Bolivia | 2 | 267 |
| Brazil | 3 | 583 |
| Chile | 3 | 204 |
| Colombia | 2 | 165 |
| Costa Rica | 2 | 392 |
| Cuba | 4 | 773 |
| Dominica | 3 | 176 |
| Dominican Republic | 5 | 1,021 |
| Ecuador | 2 | 176 |
| El Salvador | 2 | 243 |
| Grenada | 4 | 142 |
| Guatemala | 1 | 7 |
| Guyana | 2 | 246 |
| Haiti | 4 | 797 |
| Honduras | 2 | 272 |
| Jamaica | 1 | 68 |
| Mexico | 3 | 452 |
| Nicaragua | 5 | 808 |
| Panama | 4 | 587 |
| Paraguay | 2 | 597 |
| Peru | 2 | 344 |
| Regional Latin America | 13 | 2,538 |
| Saint Kitts and Nevis | 3 | 312 |
| Saint Lucia | 2 | 30 |
| Saint Vincent and the Grenadine | 2 | 144 |
| Suriname | 2 | 129 |
| Trinidad and Tobago | 2 | 53 |
| Uruguay | 3 | 449 |

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
**Annex II: Status of Technical Cooperation Programme Projects Funded Against
2006-07 Appropriation at 31 December 2009**

| Country | No. Projects | Expenditure |
|---|--------------|---------------|
| | | (USD '000) |
| Venezuela, Bolivarian Republic of | 2 | 230 |
| TOTAL LATIN AMERICA | 100 | 13,312 |
| NEAR EAST | | |
| Afghanistan | 2 | 459 |
| Djibouti | 2 | 139 |
| Egypt | 5 | 999 |
| Iran, Islamic Republic of | 4 | 696 |
| Jordan | 2 | 169 |
| Kyrgyzstan | 3 | 394 |
| Lebanon | 1 | 217 |
| Libyan Arab Jamahiriya | 1 | 138 |
| Morocco | 4 | 545 |
| Oman | 2 | 276 |
| Regional Arab States | 4 | 781 |
| Sudan | 5 | 1,085 |
| Syrian Arab Republic | 4 | 1,268 |
| Tajikistan | 4 | 627 |
| Tunisia | 2 | 393 |
| Turkmenistan | 1 | 56 |
| Uzbekistan | 3 | 259 |
| Yemen | 3 | 424 |
| TOTAL NEAR EAST | 52 | 8,925 |
| SOUTHWEST PACIFIC | | |
| Cook Islands | 3 | 453 |
| Fiji | 1 | 114 |
| Kiribati | 1 | 39 |
| Marshall Islands | 1 | 83 |
| Micronesia, Federated States of | 1 | 57 |
| Nauru | 1 | 66 |
| Niue | 1 | 76 |
| Samoa | 1 | 38 |
| Solomon Islands | 1 | 77 |
| Tonga | 3 | 328 |
| Tuvalu | 1 | 50 |
| Vanuatu | 1 | 90 |
| TOTAL SOUTHWEST PACIFIC | 16 | 1,471 |
| Miscellaneous | | (21) |
| TOTAL | 421 | 68,595 |
| Appropriation 2006-07 | | 95,703 |
| Expenditure against 06/07 Project Appropriation | | 95,703 |
| Balance | | 0 |



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