Item 4

Allocation of funds 2017
ISSUES NOTE

Based on the allocation of funds' procedure described in the manual of procedures approved during the 3rd Global Executive Board (GEB) meeting, the Global Steering Committee (GSC) annually approves the strategic allocation of funds to be received by each region that contributes to the implementation of the Global Strategy. The basis for preparing this allocation are the annually expected funds (committed contributions to be received during the year), and the approved annual workplans submitted by each regional office and the Global Office. The allocation of funds also takes into account the donors’ preferences, which are indicated in the donors’ agreements.

The regional workplans for Asia and the Pacific and Africa for 2017 were endorsed during the GEB meeting, held on the 8th of February 2017. The Global Office workplan for 2017 is to be approved by the GSC members during the 13th GSC meeting. As a result of the annual budgets presented for the regional and global levels, the allocation of funds proposed below is submitted to the GSC for approval.

PROPOSED ALLOCATION

According to the budget indicated in the annual workplans of the regions and at global level, the total budget for each participating partner for 2017 is the following:

- **Global Office**: 4,777,550 USD

- **Africa**
  - AfDB 557,677 USD
  - UNECA 2,163,014 USD
  - Global Office 1,722,300 USD

- **Asia and the Pacific**
  - FAO A&P 2,143,981 USD
  - UNESCAP 635,000 USD
PROPOSED DISBURSEMENTS

Upon approval of the GSC, the Global Office, acting as secretariat of the GEB, will request to the Fund Administrator to proceed with the first disbursement of funds to each participating partner.

Given that all partners are presenting carried forward funds, and the annual financial reports are not due until 30 April of the following year, the Fund Administrator is not in the position of assessing the actual cash flow needs per region. In this respect, it is proposed to release the first disbursement of funds as follows:

- **up to 50% of funds** will be disbursed to those partners who reported in their annual workplans a total **carry forward of less than 40% of the total budget for 2017**.

- **up to 25% of funds** will be disbursed to those partners for who reported in their annual workplans a total **carry forward of between 40% and 70% of the total budget for 2017**.

- **no funds** will be disbursed to the partners whose **carried forward funds are higher than 70% of the total budget for 2017**.

A **second disbursement** may be released once the annual financial report (covering the period from January – December 2016) is submitted by the implementing partners to the Fund Administrator if the delivery rate is higher than 70% of the funds received until end of 2016.

A **third disbursement** may be released once the mid-year financial report is submitted by the implementing partners to the Fund Administrator, if the delivery rate is higher than 70% of the budget up to June 2017.

Under no circumstances the funds disbursed to the implementing partners will exceed the allocation of funds approved by the GSC. Based on this proposal, the **first tranche of funds for 2017** will be disbursed as follows:

**Global level**

- Global Office: up to **2,388,775 USD**
- Fund Administrator: up to **2,788 USD**
Africa

- AfDB: up to 139,419 USD
- UNECA: 0 USD
- Global Office- Africa: up to 861,150 USD

Asia and the Pacific

- FAO A&P: up to 1,071,991 USD
- UNESCAP 0 USD