

GLOBAL AGRICULTURE AND FOOD SECURITY PROGRAM (GAFSP)
FY12 ADMINISTRATIVE BUDGET
June 7, 2011

Presented to the GAFSP Steering Committee for Approval
at the Fifth Steering Committee Meeting on June 7, 2011

PROPOSED DECISION OF THE STEERING COMMITTEE

This proposal is presented to the GAFSP Trust Fund Steering Committee for their review and approval of the FY12 Administrative Budget for the GAFSP Trustee, acting as the fund manager of the financial assets of the GAFSP Trust Fund and the ~~Cash~~ Unit, serving to support

WKH YDULRXV ERGLHV RI WKH *\$)63 *RYHUQDQFH VWUXFWX

BACKGROUND

1. The Budget for the FY11 and FY12 Administrative Costs GAFSP is presented to the GAFSP Steering Committee for consideration and approval at the Fifth GAFSP Steering Committee meeting on June 7, 2011. The proposed Administrative Costs have been prepared Z L W K W K H X Q G H U V W D Q G L Q J W o p e r a t e u n d e r f u l l c o s t r e c o v e r y b a s i s ,) X Q G 3 including recovery of all costs associated with design and set up of the GAFSP, including the 7 U X V W .¹) X Q G

2. Table I provides an overview of the Total Administrative Costs for FY11 and F12 for the Trustee and Coordination Unit. Further details on the individual budgets for the Trustee and Coordination Unit are discussed in subsequent sections.

Table I: Total Administrative Costs for FY11 and FY12

Total Administrative Costs FY10- FY11 Actuals and FY12 Estimates (in US\$)			
	FY10 Actuals	FY11 Revised	FY12 Proposed Budget
Trustee	150,000	520,500	293,000
Coordination Unit	378,000	754,181	1,060,500
Total	528,000	1,274,681	1,353,500

3. The FY11 Administrative Costs presented are revised estimates of costs and d r e e s July 1, 2010 through June 30, 2011. The FY12 Administrative Costs presented are estimates based on the expected services required from the Trustee and Coordination Unit in the period starting July 1, 2011 and ending June 30, 2012. The proposed budget will be adjusted at the end of the fiscal year to account for actual expenses incurred. This means that, any services rendered by the Trustee and/or the Coordination Unit in above and beyond those outlined in this paper would result in additional charges to the GAFSP Trust Fund at the end of the FY, and vice versa.

4. The World Bank serves as the Trustee for the Public Sector Window of the GAFSP Trust Fund. In this capacity the Trustee will provide the following services: (i) financial management, (ii) relationship management, (iii) investment management, (iv) accounting and reporting, and (v) legal services. The approved FY11 Administrative Budget covered the costs for all these services. The Trustee costs in FY11 also included a Trust Fund fee of US\$ 250,000 as an attempt to recover " i • Ž t e r n o c o s t s o f t r u s t

¹ Framework Document for a Global Agriculture and Food Security Program (GAFSP), para. 90, pg. 39

fund administration, including but not limited to, quality control and compliance,

FY11 Trustee Costs

8. • • Š ' TM • < • f „ Ž † á rešidē estimates of costs during FY11 amount to US\$ 520,500 Both financial management and accounting costs were lower than projected due to the limited financial activities, while legal costs were higher (negotiation

- iii. Accounting and reporting : Costs are based on the management of the accounting model for the Trust Fund and maintenance of appropriate records and accounts to identify contributions and other receipts as well as Trust Fund liabilities to Supervising Entities; and

- x Drafting of TORs (for the TAC, Impact Evaluation organization);
- x Organization of meetings (two Steering Committee meetings [November 2010, June 2011], two Technical Advisory Committee (TAC) meetings [October 2010, January 2011], two Working Group meetings [November 2010, April 2011];
- x Travel to Washington of non-DC based Recipient Representatives for the Steering Committee meetings.

14. Expenses shortfall in FY11 relative to staff costs are due to delays in recruiting pending clarification of needs. A Communications Assistant has come on board in May 2011; a position mainly focused on results reporting has been advertised, a short list has been agreed and interviews will proceed in the coming weeks.

FY12 Coordination Unit Budget

15. The proposed Coordination Unit Budget for FY12 is US\$10,500. The proposed budget includes the following expenses to fund the activities detailed:

- i. Staff Costs The time of staff working in the GAFSP Coordination Unit will be covered from the budget set aside for staff costs. The budgeted amount assumes that nine members of the Coordination Unit will perform their duties on a ~~part~~ ^{part} basis as required while a new member is expected to devote 100% of his time to GAFSP mainly focused on the results reporting aspect. As in previous years, the actual staff time spent on GAFSP related tasks will be accounted at the end of the fiscal year through the : R U O G % in Deed/Doing system.
- ii. Facilitation of Meetings: We anticipate that two Steering Committee, two TAC, and two Working Group meetings will be held over the course of FY12. Costs associated with these meetings will include logistics, facilities, personnel support, audiovisual services and general operating costs.
- iii. Travel by the GAFSP Coordination Unit: Travel for members of the Coordination Unit being requested to represent the GAFSP at meetings such as G20, Committee on Food Security (CFS) and other food security meetings and/or conferences. Members of the Coordination Unit may in addition be required to travel to Recipient or donor countries. In FY12, we anticipate disbursements at comparable levels to FY11.
- iv. Travel Costs for Participation in SC Meeting of non-DC based Recipient Representatives Travel expenses for the participation in physical Steering Committee meetings of non-DC based Recipient Representatives would be paid from the GAFSP Trust Fund as agreed by the Steering Committee during the Fi

v. Outreach and Communications Activities Our outreach/communication efforts will