

World Food Programme

Purchase for Progress: Resource Update

Funding towards the P4P pilot

WFP's food assistance is funded by voluntary donor contributions. The costs for P4P (staff costs, capacity building, training, warehouse rehabilitation, sub-grants for partners and equipment provided to farmers' organisations) are funded through extra-budgetary contributions and managed separately in a Trust Fund. Many supply-side interventions are also financed by partner organisations.

As of mid-January 2013, the following donors have contributed US\$168.11 million to the P4P trust fund either for the whole five years of the pilot or a shorter period of time:

P4P's technical and administrative costs include staff and expertise in country offices and at WFP's headquarters, including a coordination unit that supports the implementation of the programme.

This entails building partnerships, managing procurement activities, monitoring and evaluation, and capturing lessons learned and best practices.

P4P also provides sub-grants to partners or farmers' organizations for complementary activities such as training, access to market information and technical support.

Donors including Canada, Japan, the

Kingdom of Saudi Arabia and USAID have funded related capacity development initiatives incorporated into country programmes that are interlinked with P4P such as the rehabilitation or construction of warehouses or funding cleaning, drying and grading equipment.

Additional donors contributing significantly to P4P implementation include the Flanders International Cooperation Agency (FICA), the Kingdom of Saudi Arabia, and John Deere.

Donor	Funds allocated US\$ million
Bill & Melinda Gates Foundation	67.1
Howard G. Buffett Foundation	29.0
Canada	28.3
European Union	9.0
Belgium	6.7
Kingdom of Saudi Arabia	5.4
United States of America*	18.0
France	2.0
Brazil	1.43
Ireland	0.8
UPS Foundation	0.16
Luxembourg	0.10
Others	0.12
TOTAL	168.1

In addition, the USA government has provided approximately \$40 million directly to Country Offices for P4P related procurement.

Resources needed

The key resourcing need is **US\$2.2 million** for the data analysis and knowledge management hub.

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Funding for food purchases under Purchase for Progress (P4P)

All food purchases (and related logistics costs) under P4P are financed by donations to WFP's regular operations. On average, approximately ten percent of the funds available to WFP for local procurement of food in the pilot countries is set aside for purchases using P4P approaches.

When WFP's food assistance operation in one of the P4P pilot countries faces funding shortfalls, the respective country office cannot buy from P4P farmers. Without this secure financing for food purchases, one of the three pillars of the P4P pilot collapses and the whole pilot is put at risk.

WFP's operations in the following P4P pilot countries face funding shortfalls. These are not shortfalls for the P4P initiative, but for the general WFP food assistance operations:

Recipient	Sum of 2013 needs (US\$)	Sum of 2013 net shortfalls (US\$)
Afghanistan	164,204,989	164,204,989
Burkina Faso	11,584,843	9,425,012
Congo, The Democratic Republic of the	160,676,052	156,976,052
Ethiopia	739,532,978	720,888,977
Ghana	9,804,393	9,804,393
Guatemala	3,902,590	3,902,590
Honduras	5,150,591	5,145,300
Kenya	330,706,465	317,138,576
Liberia	31,092,646	31,092,646
Malawi	55,661,052	52,424,112
Mali	144,553,529	133,790,535
Mozambique	37,851,710	37,318,377
Nicaragua	2,167,313	2,167,313
Rwanda	19,680,981	19,680,981
Sierra Leone	19,732,217	11,043,815
South Sudan	776,148,764	678,463,866
Tanzania, United Republic of	62,584,189	60,584,189
Uganda	90,939,879	85,451,637
Zambia	8,745,799	8,745,799
Grand Total	2,674,720,980	2,508,249,159

Date as of February 2013.

Note: As El Salvador does not have a country-specific operation, it is not possible to provide specific figures.

With contributions to these operations, donors can support both the recipients of WFP's food assistance and farmers selling the food distributed to beneficiaries to WFP.



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