

FAC(11/12)1

25 April 2012

**RULES OF PROCEDURE AND IMPLEMENTATION FOR THE  
FOOD ASSISTANCE CONVENTION**

**RULES OF PROCEDURE  
AND IMPLEMENTATION FOR THE FOOD  
ASSISTANCE CONVENTION**

**RULE 1: Eligible Activities**

Eligible Activities for the fulfilment of a Party's minimum annual commitment are any of the following:

- (i) the provision and distribution of Eligible Products;
- (ii) cash transfers to protect and ensure food consumption;
- (iii) commodity-based or cash-based voucher transfers to protect and ensure food consumption;
- (iv) nutritional interventions to enhance food consumption, in particular therapeutic and supplementary feeding, enrichment and fortification, and the provision of micronutrients.

**RULE 2: Associated Costs**

Associated Costs, as provided in Article 4(5) of the Convention, are the following:

- (i) costs directly linked to procurement, transportation, storage, distribution, processing, handling and warehousing, including those incurred through twinning arrangements;
- (ii) costs directly linked to program design, including food and nutrition needs assessments, situation and response analysis, and monitoring and evaluation;
- (iii) other relevant associated and operational costs incurred by implementing partners, including security costs.

### **RULE 3: Eligible Products**

- (a) Eligible Products include products for human consumption that comply with relevant national policies and legislation of the country of operation, including, as appropriate, applicable international food safety and quality standards. They are the following, until the Committee modifies this list of products:
- (i) grains, rice, and soybeans, including products of primary or secondary processing;
  - (ii) pulses;
  - (iii) edible oil;
  - (iv) root crops;
  - (v) dairy products;
  - (vi) sugar;
  - (vii) supplementary and therapeutic feeding products;
  - (viii) micronutrients;
  - (ix) fortified blended food;
  - (x) ready to use food;
  - (xi) fruits and vegetables;
  - (xii) salt; and
  - (xiii) other products that are a component of the traditional diet of Eligible Vulnerable Populations or included in a food basket recognised by a relevant international or non-governmental organisation.

- (b) Eligible Products include products that contribute to meeting food needs and protecting livelihoods in emergency and early recovery situations. They are the following, until the Committee modifies this list of products:
  - (i) seeds, seedlings, and plant cuttings, related to applicable Eligible Products listed under (a) above;
  - (ii) basic, hand-held agricultural and fishing tools;
  - (iii) basic food preparation equipment; and
  - (iv) livestock for milk and consumption purposes.

#### **RULE 4: Grain Equivalence of Contributions to Quantity Commitments**

For Parties with quantity commitments:

- (a) Physical quantity contributions of Eligible Products listed in Rule 3(a) are counted in grain equivalent, as follows:
  - (i) each tonne of grain (excluding rice) for human consumption is equal to one tonne of grain equivalent;
  - (ii) the equivalence of rice and processed products of rice is calculated as provided in Rule 6;
  - (iii) the equivalence of milled grains is determined on the basis of their respective grain content; and
  - (iv) the equivalence of other Eligible Products is calculated by dividing the costs of acquisition of the products by the prevailing price of grain as determined under Rule 5.

- (b) If useful to determine whether a Party has fulfilled its quantity commitment, under Article 5(10) and 5(14) of the Convention, its cash contributions may be converted into grain equivalent for the portion not used to fulfil any value commitment the Party has made. The grain equivalence is calculated as follows:
  - (i) the cash contributions for the provision of Eligible Products listed in Rule 3(a) are converted into grain equivalent by dividing the costs of acquisition by the prevailing price of grain as determined under Rule 5;
  - (ii) the contributions in the form of cash transfers and vouchers are converted into grain equivalent by dividing their value by the prevailing price of grain as determined under Rule 5.
- (c) The method for calculating the grain equivalence is subject to review and modification by the Committee to reflect any improvements in methodology.
- (d) The Secretariat is to verify the calculation of the grain equivalence of contributions and assist as required.

## **RULE 5: Prevailing Price of Grain**

- (a) The prevailing price of grain is determined using the average of the annual average export prices of the following grains, expressed in United States dollars per tonne, as computed by the International Grains Council (IGC):

<b>Commodity</b>	<b>No. of Quotations</b>	<b>Country</b>	<b>Variety</b>	<b>Shipment location</b>
<b>Wheat</b>	9	Argentina Australia Canada Canada EU (France) USA  USA USA USA	Trigo Pan ASW No. CWRS, 13.5% No. CWRS, 13.5% Standard Grade 1 No. 2 HRW (Ordinary) No. 2 SRW No. 2 DNS, 14% No. 2 SW	FOB Up River FOB Eastern States FOB St. Lawrence FOB Vancouver FOB Rouen FOB Gulf  FOB Gulf FOB PNW FOB PNW
<b>Maize</b>	2	Argentina  USA	  No. 3 Yellow	FOB Rosario (Up River) FOB Gulf
<b>Barley</b>	2	EU (France) EU (Germany)		FOB Rouen FOB Hamburg
<b>Sorghum</b>	1	USA	No. 2 Yellow	FOB Gulf
<b>Rice</b>	4	Vietnam Thailand Thailand USA	5% Broken 5% Broken 100 % B No. 2, 4%	FOB Ho Chi Minh FOB Bangkok FOB Bangkok FOB Gulf

- (b) By 15 January of each year, the Secretariat is to communicate the prevailing price of grain to the Parties.

## **RULE 6: Grain Equivalence of Quantity Contributions of Rice**

- (a) Quantity contributions of white rice are converted into grain equivalent by multiplying the provided quantity with the prevailing rice ratio as determined under paragraph (d).

- (b) Quantity contributions of rice other than white rice are converted into grain equivalent by dividing the costs of acquisition by the prevailing price of grain as determined under Rule 5 or by multiplying the provided quantity with the prevailing rice ratio as determined under paragraph (d), whichever is lower.
- (c) The grain equivalent of contributions of processed rice products is determined on the basis of their respective rice content.
- (d) By 15 January of each year, the Secretariat is to communicate to the Parties the prevailing rice ratio, which is the prevailing price of rice as determined under paragraph (e) divided by the prevailing price of grains as determined under Rule 5.
- (e) The prevailing price of rice is the average of the annual average export prices of the following rice grades, expressed in United States dollars per tonne, as computed by the IGC:

Thai white rice, 100% second grade, fob Bangkok,  
Thai white rice, 5% broken, fob Bangkok  
Vietnam 5% broken, fob Ho Chi Minh  
USA no. 2, 4%, fob Gulf

**RULE 7: Secretariat**

- (a) The Committee is to decide on the designation of a Secretariat, its location, and other related issues.
- (b) The Committee is to request of the IGC to have its Secretariat act as the initial Secretariat of the Committee. If that Secretariat is not available to act as such, or if the Committee chooses to do so, the Committee is to designate another entity to carry out these functions.

## **RULE 8: Information Sharing**

- (a) The Secretariat is to maintain a website only accessible to the Parties, where the following information is to be posted:
  - (i) documents and information provided by the Parties on food assistance policies and practices;
  - (ii) the annual report of each Party;
  - (iii) information regarding changes to the Parties' minimum annual commitments; and
  - (iv) information related to formal sessions and informal meetings of the Committee, including agendas, notices, relevant documents, and minutes.
  
- (b) The Secretariat is to maintain a publicly accessible website to facilitate information sharing with stakeholders. The following is to be posted on this website:
  - (i) a list of all the current Parties' minimum annual commitments;
  - (ii) the annual report of the Committee once adopted by the Committee;
  - (iii) the dates and locations of the Committee's formal sessions and informal meetings;
  - (iv) summary records of the Committee's formal sessions approved by all Parties; and
  - (v) other relevant documents, such as press notices, as approved by the Committee.



## **RULE 9: Reports by the Parties**

- (a) The annual report to be produced by each Party under Article 6 of the Convention is to list contributions provided in a given year that count towards the minimum annual commitment of that same year. A standard reporting template is to be developed by the Committee and is to be used by all Parties. The list of contributions should contain the following elements, to the extent possible:
  - (i) the total value of the contributions;
  - (ii) the total quantity of the contributions, calculated under Rule 4, and its percentages calculated under 4(a) and 4(b);
  - (iii) any Eligible Country that benefited;
  - (iv) any Eligible Product or Eligible Activity that was funded and its acquisition costs;
  - (v) the Associated Costs of the delivery of the Eligible Activities and its percentage of the total contributions;
  - (vi) the name of the partner that received the contribution;
  - (vii) all contributions not made in fully grant form;
  - (viii) any other information relevant to the principles and objectives of the Convention, which could include information on Eligible Vulnerable Populations assisted.

The Secretariat may provide assistance in calculating the grain equivalence where applicable.

- (b) The narrative component of each Party's annual report may include the following information:
  - (i) a description of how the Party's food assistance policies, programs, and operations contribute to the objectives and principles of the Convention;
  - (ii) innovative approaches to food assistance that may be of interest to other Parties;
  - (iii) best practices and lessons learned; and
  - (iv) any other information that may be relevant.

**RULE 10: Committee Reporting**

- (a) For each year, the Secretariat is to prepare a report for the Committee to be adopted at the first formal session of the following year. This report is to reflect information provided in the Parties' annual reports as discussed in Rule 9 and is to contain:
  - (i) The Parties' minimum annual commitments for the year of reporting and any changes from the previous reporting year;
  - (ii) a summary of all Parties' annual reports for that year;
  - (iii) a summary of the activities of the Committee for that year; and
  - (iv) any other elements the Committee may decide to add to the report.
- (b) The report is to be published by June 30 of each year, following its adoption by the Committee, on the website maintained by the Secretariat, in accordance with Rule 8.

### **RULE 11: Records of the Committee**

- (a) The records of the Committee are to be in the English language and whenever possible in French.
- (b) The publication of the records, and of any summary of the records, is to be done in accordance with Rule 8.

### **RULE 12: Draft Agenda and Sessions**

- (a) The draft agenda for each formal session and informal meeting is to be prepared by the Secretariat and approved by the Chairperson after informal consultations with the Parties. Possible agenda items for discussion at formal sessions (or informal meetings) include:
  - (i) hunger and under-nutrition and possible responses;
  - (ii) Party commitments and responses related to food needs, including the calculation of total commitments in a common measure; and
  - (iii) lessons learned, best practices, and applied research.

Possible additional items for formal sessions include:

- (iv) program of work;
- (v) adoption of the Committee's report;
- (vi) appointment of the Chairperson and Vice-Chairperson; and
- (vii) administrative and financial matters.

Every fifth year after the Convention enters into force, the Committee is to undertake an assessment of its relevance.

- (b) The Committee is to hold at least one formal session and one informal meeting a year. The Secretariat is to send a written notification of the date of each formal session or informal meeting, accompanied by the draft agenda, to the Parties and organisations invited to attend the formal session or informal meeting. Notification of a formal session or informal meeting should be sent not less than twenty-one days and, whenever possible, thirty days in advance. When, in the opinion of the Chairperson, there are reasons of urgency that make it necessary to begin the formal session or informal meeting before the expiry of twenty-one days, a shorter period of notice may be given, which should in no case be less than ten days.
- (c) After receiving notification of a formal session or an informal meeting, Parties should, as soon as possible, notify the Secretariat in writing of the names of their representatives, alternates, and advisers.
- (d) Unless the Committee decides otherwise, attendance at the Committee's formal sessions and informal meetings are to be limited to Party representatives, observers whose invitations have been approved by the Committee, and relevant stakeholders invited by the Committee. Proceedings of formal sessions and informal meetings are to remain confidential.
- (e) Formal sessions are to be conducted in English and French. The Secretariat is to make any arrangements for interpretation that may be necessary.
- (f) During the discussion of any matter, any delegate may raise a point of order to be ruled on immediately by the Chairperson. Such a ruling is to stand unless the Committee decides otherwise.
- (g) Unless the Committee decides otherwise, the formal sessions and informal meetings are to be held at the seat of the Secretariat.

### **RULE 13: Accession**

In considering an application for accession to the Convention under Article 13 (1) of the Convention, the Committee is to take into account all relevant factors, in particular the minimum annual commitment that the applicant is prepared to make in accordance with Article 5 (1) of the Convention.