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Executive Board  
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## PROJECTS FOR EXECUTIVE BOARD APPROVAL

### Agenda item 5



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## PROTRACTED RELIEF AND RECOVERY OPERATION— IRAN 6126.00

### Food assistance and support for repatriation of Iraqi and Afghan refugees in Iran

Number of beneficiaries	136,000
Duration	One year (1 July 1999 to 30 June 2000)
<b>Cost (United States dollars)</b>	
Total cost to WFP	6,529,561
Total food cost	4,516,710

### ABSTRACT

Iran is surrounded by countries undergoing civil and military strife, and consequently is hosting a large number of refugees, the majority of whom are from Iraq and Afghanistan. Iran began sheltering refugees as early as the mid-seventies, although the major influx, which involved as many as 4 million refugees, took place after the onset of the Afghan war in 1979, and then the Persian Gulf War in 1991/92. Approximately half of the refugees have returned to their home countries, but with the ongoing war in Afghanistan and instability in Iraq, prospects for increased repatriation seem slight. According to the Government, there are still 2 million refugees and only the most vulnerable refugees are hosted in camps, while most earn a living in various types of occasional jobs. Since 1998, the economy of Iran has retracted owing to a 39 percent decrease in its export revenue. Consequently, the Government is finding it difficult to assist refugees, and is stressing their temporary status in Iran. The ongoing WFP protracted relief operation 5950.00, due to end 30 June 1999, has assisted 84,000 refugees in 28 camps and provided repatriation packages to 11,300 refugees. A joint WFP/UNHCR mission, which took place in December 1998, concluded that camp inhabitants still required food assistance, and that assistance should be extended to the most vulnerable non-camp refugees. WFP will carry out a vulnerability survey which would make it possible to target aid on the basis of indicators on gender, employment and income, and health and nutritional status. The new PRRO is proposed for one year, starting 1 July 1999, to cover 84,000 refugees in camps. Of these, 10 percent are refugee schoolgirls and 40,000 "non-camp" vulnerable refugees. The operation will also cover 12,000 Iraqi repatriates.

## NOTE TO THE EXECUTIVE BOARD

**This document contains recommendations for review and approval by the Executive Board.**

Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session of 1996, the documentation prepared by the Secretariat for the Board has been kept brief and decision-oriented. The meetings of the Executive Board are to be conducted in a business-like manner, with increased dialogue and exchanges between delegations and the Secretariat. Efforts to promote these guiding principles will continue to be pursued by the Secretariat.

The Secretariat therefore invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff member(s) listed below, preferably well in advance of the Board's meeting. This procedure is designed to facilitate the Board's consideration of the document in the plenary.

The WFP focal points for this document are:

Regional Director, OAC: Ms. J. Cheng-Hopkins tel.: 066513-2209

Programme Coordinator: H. Tongul tel.: 066513-2041

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Documentation and Meetings Clerk (tel.: 066513-2641).



## CONTEXT AND RATIONALE FOR PROVIDING ASSISTANCE

### Situational analysis

1. Iran is surrounded by countries in civil and military conflict. The region is beset with territorial claims and ethnic and religious rivalry, accompanied by an unprecedented level of military build-up, and consequently Iran has hosted large numbers of refugees. The majority of these are from Iraq and Afghanistan, where expectations for a return to stability in the near future are very low. There are considerable numbers of refugees and displaced people in the region, and prospects for security improvements in the immediate future are dim.
2. Iran began accommodating refugees from its neighbours as early as the mid-seventies. However, with the onset of the Afghan war in 1979 and then the Persian Gulf War in 1991/92, Iran hosted as many as 4 million refugees. The first major influx of Afghan refugees included an estimated 2.9 million people. The most significant influx of Iraqi refugees occurred after the Persian Gulf War of 1991/92 when, over a period of two months, 1.2 million people were reported to have entered Iran. Approximately half of the refugees have returned to their home country, but with the ongoing war in Afghanistan and the general instability in Iraq, prospects for increased repatriation seem slight. According to Government authorities there are still over 2 million Afghan, Azeri, Tajik, Iraqi Arab and Kurd refugees in Iran.
3. In most cases, the refugees are not confined to camps, but live and work alongside Iranians. Only the most vulnerable are hosted in official camps. The vast majority of refugees in Iran are scattered in major cities and provincial capitals throughout the country and earn their livelihoods in various types of occasional jobs. The Afghan refugees generally have less difficulty than others in integrating into the local economy because they speak Farsi.
4. While the Government of the Islamic Republic of Iran continues to accommodate large numbers of refugees, it has been under great pressure from the lack of economic growth, recently demanding greater international assistance in resolving the refugee situation. The 1998 downturn in global oil prices dramatically lowered Iranian revenues. The 1998 export revenue was down by 39 percent compared to the previous year, drastically reducing the Government's income as well as forcing a rescheduling of its external debts repayment. The current crisis has placed severe limits on public expenditure, adversely affecting the heavily subsidized economy and worsening the living conditions of both Iranians and refugees.
5. These hardship conditions have greatly limited economic opportunities for refugees outside official camps, who face greater difficulties in finding even temporary employment. The industrial, construction and agricultural sectors, where refugees are predominantly employed on a short-term basis and are the first to be laid off, are experiencing stagnation. The situation has resulted in a rising number of vulnerable refugees among the non-camp refugee population.
6. Refugees in official camps are similarly affected, as Government support for health and education services and for non-food-items has been cut back and those seeking employment in the vicinity of camps face more difficulties. Fewer refugees in camps can find seasonal employment in nearby agricultural fields. The Government has reported



increased requests for assistance from refugees both within and outside camps, which it is unable to fulfil.

7. Given the Government's increasing difficulties in continuing to assist to refugees under the prevailing economic conditions, it has recently made several statements regarding the "temporary" nature of the refugee situation. These statements highlight the long-term policy, which is to support the repatriation of refugees to their country of origin as soon as minimum security conditions prevail. At the same time, the international community is more frequently called upon for assistance to the Government in aid of the refugees and of their repatriation. A further indication of this strategy is the willingness of the Government to join any peace process for Afghanistan, which may lead to a repatriation of refugees.
8. To ensure support to the most vulnerable refugees, these are preferentially settled in camps where they receive WFP and UNHCR assistance. However, as a result of the economic downturn, an increasing number of refugees are applying for settlement in camps where they would receive food and other services such as healthcare.

### **WFP Assistance to date**

9. WFP has been providing food assistance to refugees in Iran since 1987, first to Afghan refugees and then, in 1988, to Iraqi refugees. Since 1987, through a series of emergency and protracted relief operations, WFP has provided over 370,000 tons of commodities. WFP has supplied food to the most vulnerable refugees in camps (including an oil incentive scheme for girls attending schools in refugee camps) and has also provided wheat for voluntary repatriates. The ongoing assistance programme involves 21,000 tons of food aid for 88,000 refugees and planned assistance to an estimated 30,000 repatriates. The current phase is due to end on 30 June 1999.
10. A joint WFP/UNHCR mission visited Iran in December 1998 to assess refugees' food needs. The mission concluded the following:
  - a) the conditions of refugees in camps had not fundamentally changed, yet not all the camp inhabitants still required food assistance;
  - b) since the number of vulnerable refugees outside camps had increased because of the hard economic conditions, some food assistance needed to be extended to the most vulnerable non-camp refugees;
  - c) the mission therefore recommended that food assistance to refugees should be based on vulnerability as a criterion rather than be focused on camp populations only;
  - d) in support of the above, and in order to improve targeting of vulnerable refugees, especially outside of camps, the mission proposed a socio-economic survey, the results of which (expected to be available in the second half of 1999) would provide baseline data for planning for and targeting the most vulnerable pockets of the non-camp refugee population; the survey will collect employment/income and health/nutritional data which will be gender-disaggregated, especially for the non-camp refugee population; and
  - e) as the implementation of this new approach first needs to be assessed, the mission recommended the provision of food assistance for one year only, as detailed below.
11. The proposed new PRRO is therefore scheduled to start on 1 July 1999 and will cover the food needs of refugees in camps (84,000 in December 1998), including the oil scheme



for refugee schoolgirls in camps, and an additional 40,000 “non-camp” refugees considered to be vulnerable. In addition, the PRRO will cover the food component of the repatriation package for an estimated 12,000 Iraqi repatriates. Afghan repatriates will receive assistance under the ongoing WFP protracted relief and recovery operation in Afghanistan (PRRO 6064.00).

## Beneficiaries

12. Of two million refugees in Iran, only 94,000 are located in official camps. WFP currently provides food assistance to nearly 84,000 of the refugees in 28 camps. Some 10,000 refugees are employed and can provide for their families. Therefore, they do not qualify for food assistance in camps. Details are provided in Table 1 below.

**TABLE 1: BREAKDOWN OF REFUGEES IN OFFICIAL CAMPS**

Iraqi Kurds		Iraqi Arabs		Afghans	
Camp name	Population	Camp name	Population	Camp name	Population
Soltanieh	484	Abazar	3 014	Ansar	2 223
Ziveh	10 203	Dastgheib	5 101	Dalaki	2 230
Dilzeh	1 103	Beheshti	2 313	Niatak	6 875
Lavin	413	Bani Najar	2 275	Rafsanjan	5 274
Bezileh	1 273	Shahid Beheshti	873	Bardsir	6 756
Sara	653	Motahari	2 459	Saveh	2 826
Varmahang	968	Ashrafi Esfehani	9 790		
Karimabad	572	Ansar	5 009		
Dizli	1 459	Ibrahim Abad	2 826		
Bahram Abad	706				
Sefid Choga	1 570				
Kanagavar	2 285				
Songhor	1 692				
<b>Total Kurds</b>	<b>23 381</b>	<b>Total Arabs</b>	<b>33 660</b>	<b>Total Afghans</b>	<b>26 184</b>

13. Within the Iraqi camps, the refugee population is split equally between male and female. In the Afghan camps the female population makes up 45 percent of the refugees and males 55 percent. The higher proportion of Afghan males to females reflects the fact that many Afghans have come to Iran in search of employment, leaving their families in Afghanistan. The proportion of Afghan males is even higher in the “non-camp” refugee population, but with the economic crisis many unemployed refugees are increasingly more vulnerable.
14. An additional 40,000 refugees outside camps have been registered by the Government to receive assistance. These are reportedly refugee families without an income earner. Some have applied for acceptance into camps in order to receive food and support services. These vulnerable registered refugees are being checked by UNHCR/WFP but the aforementioned socio-economic survey would help to verify the vulnerability of these refugees and also assist with the targeting of vulnerable women outside camps.



15. Under the current phase voluntary repatriates to Iraq and Afghanistan receive 50 kilograms of wheat (or 40 kilograms of wheat flour) from WFP, and plastic sheeting and \$40 from UNHCR. Transport to the border points is provided by the International Organization for Migration (IOM). During the ongoing phase of PRO 5950.00 approximately 11,300 repatriating refugees received assistance from WFP and UNHCR (considerably lower than the estimated planning figure of 30,000). The estimated number of repatriates to be covered under the new PRRO will be 12,000 Iraqis, representing a more realistic level.
16. The current targeting mechanism applied by the Government is primarily based on the camp resident classification. Camp residents without long-term, fixed employment, casual labourers and part-time labourers are considered eligible for food assistance. Those with regular long-term employment are not considered beneficiaries and do not receive identification cards, who are registered by the camp management. The id cards lists in the camps are periodically checked and verified by WFP and UNHCR monitors. For a variety of reasons the camp administrators find it difficult to eliminate from their lists refugees who have achieved a certain degree of financial stability. The new PRRO therefore proposes as a selection criterion the objective vulnerability of a household, as determined by WFP and UNHCR. This will necessarily have to entail targeting and delivering food to the women of the vulnerable refugee households in order to comply with WFP's Commitments to Women.
17. Beneficiaries outside camps are selected on the basis of vulnerability; all are on Government lists. However, the Government does not register large numbers of refugees living in conglomerates outside larger towns, although *prima facie* they would have to be considered in extreme need for various kinds of assistance. Beneficiaries are generally proposed by Government authorities and endorsed by WFP and UNHCR. Through the socio-economic survey results on gender-related data, WFP will be able to raise awareness on gender issues and demand, to the extent possible, that vulnerable women refugees be targeted for food assistance outside camps. It is expected that the vulnerability survey mentioned above will provide more insight into the needs of these non-camp refugees. Given the absence of Government structures to administer assistance to these conglomerates, the use of food stamps is being considered (initially on a pilot scheme). The Government had a food stamp system until recently which was phased out owing to financial difficulties, and would therefore be in a position to revitalize such a system.

## Partnerships

18. Within the United Nations system WFP's main partner in Iran is UNHCR. WFP collaborates closely with UNHCR in both activities: the refugee feeding programme and the repatriation scheme. Under the repatriation scheme IOM also provides transport arrangements for the repatriates. Very few international NGOs are present in Iran; however, WFP will continue to explore collaborative arrangements with national NGOs such as the Imam Khomeini Committee and the Imam Bagher Foundation which also occasionally provide assistance to refugees. Coordination with the Iranian Red Crescent Society will be continued, since it supplies supplementary food aid to some refugee camps.
19. The Government agency responsible for refugees is the Bureau for Aliens and Foreign Immigrants Affairs (BAFIA) under the Ministry of the Interior. BAFIA manages and administers all refugee camps and is therefore the main counterpart for WFP and UNHCR. In the past, access to refugee camps was tightly controlled by BAFIA, but recently (especially under the ongoing phase of PRO 5950.00) BAFIA has shown increased



cooperation. It is expected that this greater collaboration, especially with regard to the non-camp refugee population, will expand. During the December 1998 Joint Mission, BAFIA agreed to sign a Tripartite Agreement with the United Nations agencies in order to make their partnership official. A new Letter of Understanding will be signed between WFP and BAFIA/Government, delineating the responsibilities under the new PRRO.

20. Coordination and reporting on refugee issues, including food security and degree of vulnerability, are discussed at the Food Aid Committee composed of the BAFIA Deputy General Director, the WFP Country Director and the UNHCR Representative. This committee, which meets regularly on a monthly basis, reviews all operational issues such as beneficiary figures and distribution mechanisms related to refugees. The International Consortium for Refugees in Iran (ICRI) coordinates various local NGO activities and facilitates the operations of international NGOs *vis-à-vis* the Government.

## IMPLEMENTATION PLAN

### Goals and objectives

21. The objectives of WFP food assistance in Iran are to:
- a) ensure that basic food needs for survival of the refugees in camps are met, considering also that many camps are in very remote areas;
  - b) provide food to refugees outside camps, based on vulnerability criteria;
  - c) through an oil incentive, encourage girls to attend camp schools set up by the Iranian Government, at the same time contributing to the household budget as well as to the household's food intake; and
  - d) support UNHCR-assisted repatriation of refugees through the provision of a one-time wheat package of 50 kilograms upon departure, as a transitory ration until the repatriates find more regular supply systems in their home countries.

## ACTIVITIES

### Recovery activities

22. Recovery activities to date have been limited in scope given the Government's policy of insisting on the "temporary" status of refugees in Iran. This policy has limited any institutional support to the implementation of recovery or income-generating activities, inside and especially outside camps. The Government does not have any plans to allocate any land for the refugees with regard to resettlement. Furthermore, BAFIA has repeatedly stated that any resource allocation for food-for-work schemes must be in addition to the monthly rations received by the refugees. This also prevented the shift from relief rations to income from work and consequently no food-for-work schemes have been implemented. The few income-generating activities in camps have not been successful—poor prior market analysis has led to camp stores being full of unsold kilims and carpets produced by refugees. All activities have been limited to the camp environment, thereby directly affecting the marketability of refugees' skills. On the other hand, the Government has not



limited refugee movements and thus a large number have found income sources outside the camp.

### **Food supply to refugee camps and to vulnerable refugee groups**

23. The refugee feeding programme will target families in camps on the basis of their vulnerability. Vulnerable families already residing in camps have registration cards entitling them to food assistance. Vulnerability lists are periodically verified and updated by UNHCR and WFP staff. Camp refugees receive food on a monthly basis upon presentation of their registration cards. Based on criteria determined by the socio-economic survey, the vulnerability focus will be sharpened.
24. Eligible vulnerable refugees outside camps are also expected to be more closely identified by the socio-economic survey. The food stamp system is an option that will be explored for targeting non-camp refugees, allowing them to procure food commodities in designated stores. While the exact modalities are yet to be elaborated, it is expected that WFP food will be made available to designated shops in the vicinity of vulnerable refugees, and beneficiaries will redeem food stamps for a full monthly ration at the stores. The Government has experience with food stamp programmes and the same channels can be utilized. Initially WFP plans to implement the food stamp system on a reduced, pilot basis to assess the distribution system. WFP is also fully aware of the gender implications of the food stamp system—food stamps may be utilized by male refugees to procure items other than food—therefore, a control mechanism, of limiting the “exchangeability to food items only”, will be instituted. UNHCR plans to further rationalize its assistance in 1999 with an increasing focus on non-camp refugees and on support to activities leading to refugees’ self-reliance. For 1999 the relative share of UNHCR’s assistance to non-camp refugees will increase to 56 percent of the total budget, amounting to about \$6.4 million. In 1998 the relative share was 38 percent.

### **Food as an incentive to girls in refugee camp schools**

25. The oil scheme for refugee schoolgirls was started in 1997. It aims at encouraging refugee families to send their daughters to camp schools. The 1998 mission noted that 7,277 girls benefited from the oil scheme during the 1997/98 academic year and some schoolteachers indicated that the number of girls continuing on to secondary school had increased. The distribution of oil for attendance is carried out on a monthly basis, presenting an attractive income transfer for refugee families.

### **Repatriation support**

26. WFP plans to continue support to voluntary repatriation by providing wheat in collaboration with UNHCR. As a large part of the repatriates are refugees who lived outside camps, their repatriation does not affect the camp whose population figures have remained fairly stable over the last two years. The majority of refugees repatriate spontaneously without receiving the repatriation package.
27. Under the on going phase of PRO 5950.00 the actual level of repatriation has been low mostly because of insecurity in the two home countries (Afghanistan and Iraq). Out of an estimated 30,000 repatriates only 11,300 received the repatriation package. The large number of Afghan repatriates in November and December 1998, when a total of 12,500 returned to Afghanistan, did not receive any assistance except in very needy cases since a



great majority were young males. Afghan repatriates will not receive any food assistance under this PRRO but will be covered by the WFP assistance programme in Afghanistan.

28. Iraqi Kurds returning to the North of Iraq will, within one month, be enrolled in the food distribution system established under the “Food-for-Oil” scheme (SCR) 986 Security Council resolution, which provides monthly food rations. The one-month wheat ration distributed to refugees repatriating to northern Iraq therefore appears to be sufficient until repatriates are enrolled in the regular system. Therefore, wheat requirements totalling 600 tons of wheat for repatriation under this PRRO will be considering the return of an estimated 12,000 Iraqi refugees, a more realistic figure considering the current situation.

### Monitoring and evaluation

29. The reporting procedures of the ongoing phase have been satisfactory, and the mission noted that in most camps visited, disaggregated data on beneficiaries were available. Detailed data on camp population movements, births/deaths, gender breakdown of camp population, by age and household, children’s school attendance etc. were generally available; however, it was noted that these were not being shared with Government authorities in Tehran and, hence, were not being utilized by United Nations agencies in order to analyse the long-term impact of assistance in camps. Under the new PRRO, both UNHCR and WFP country offices will share and further develop the current “Camp Profile” Report with the cooperation of BAFIA in order to improve data analysis to focus on impact studies of the vulnerable refugees.
30. A new system to monitor food assistance to refugees outside camps is being developed by the country office; its successful implementation hinges on full access to refugee populations, both in camps and outside. Recently, BAFIA has been very cooperative in assisting with monitoring of refugees, and it is expected that the extent of access to non-camp populations will be similar to that to current camp refugees. The new monitoring system would initially involve verification and on-the-spot checks by WFP of lists of vulnerable refugees who qualify for food assistance. At the operational level, WFP will monitor the impact of food assistance to non-camp refugees through rapid appraisal. These will be carried out through questionnaires which will in turn form the basis for analysing the vulnerability levels of refugee families, and gender-disaggregated data will assist with analysing women refugees’ specific conditions. These reports will be periodically reviewed by WFP and self-reliant refugees will be taken off the beneficiary lists.

### EXIT STRATEGY

31. Within the regional context of great instability in two neighbouring countries, it is difficult to foresee a phasing out of WFP assistance to refugees in Iran in the near future. Peace remains elusive to both conflict-ridden Afghanistan and split Iraq. Any increased influx of refugees into Iran from its unstable neighbours is a potential reality and will need to be monitored and assessed, and, if necessary, addressed through a separate emergency operation. In the case of such an emergency, initial food supplies may be borrowed from the Government with the assistance of BAFIA.
32. There are several conditions which would allow WFP to withdraw:
- The Government may change its position towards the integration of refugees. This is currently a remote possibility, as the Government is not even willing to accept the integration of urgent humanitarian cases.



- The Iranian economy will improve and oil revenues will rise again, allowing the Government to bear an increasing share of the burden from the refugees. This situation may also affect the position mentioned above.
  - The return of security in the neighbouring countries will allow significant repatriation, in turn allowing WFP to phase down and eventually hand over to the Government the responsibility for any remaining beneficiaries.
33. None of these possibilities appears close enough to warrant any planning within these parameters for the time being.

## RISK ASSESSMENT

34. The overriding risk in Iran is that the economic situation could worsen, which would further aggravate the conditions faced by refugees, resulting in a greater number requiring assistance. The future trend of oil prices and the implementation of economic reforms, accompanied by the ability of Iran to secure new external funding, will be key to determining the future economic outlook.
35. The outbreak of a major conflict in the region is a real risk faced by Iran, which could result in a large number of refugees crossing the border. The existing WFP country offices in the neighbouring countries (Afghanistan, Iraq, Armenia and Azerbaijan) could coordinate assistance to displaced people in the eventuality of a major conflict. Furthermore, the continued instability of Iran's neighbours is likely to undermine any major repatriation efforts.
36. International support for the refugee population may not be forthcoming since the problem of refugees in Iran has not received much attention. International agencies have obtained limited financial support from the international community. Confirmed pledges for assistance have been low. As part of Iranian President Khatami's policy of increased openness, Iran is hoping for greater international assistance to help it cope with refugees through the difficult times.

## INPUT REQUIREMENTS

### Food aid

37. The total food requirements for this PRRO are 24,199 tons. Table 2 below gives breakdown of requirements.

**TABLE 2: FOOD REQUIREMENTS  
1 JULY 1999–30 JUNE 2000**

Category	No. of beneficiaries	Wheat	Rice	Pulses (tons)	Edible oil	Sugar
A. Refugees in camps	84 000	10 731	3 066	920	613	460
Oil for schoolgirls <sup>1</sup>	7 000				290	
B. Refugees outside camps	40 000	5 110	1 460	438	292	219



C. Repatriation support <sup>2</sup>	12 000	600				
<b>Total</b>	<b>136 000</b>	<b>16 441</b>	<b>4 526</b>	<b>1 358</b>	<b>1 195</b>	<b>679</b>
<b>Total food costs (\$)</b>		<b>1 972 920</b>	<b>1 131 500</b>	<b>312 340</b>	<b>896 250</b>	<b>203 700</b>

<sup>1</sup> Schoolgirls are included in the camp refugee beneficiary figures (in A. above).

<sup>2</sup> 50 kilograms of wheat (or 40 kilograms wheat flour) for each repatriating refugee.

38. Since the joint mission did not observe and was not advised of nutritional deficiencies, it recommended that the food ration remain unchanged. The current daily food rations to vulnerable refugees will continue to be composed of wheat (350 grams), rice (100 grams), pulses (30 grams), vegetable oil (20 grams) and sugar (15 grams). This is equivalent to 1,900 kilocalories and 50 grams of protein per person per day. The local value of the WFP monthly ration is equivalent to \$6.54. To save on logistics costs, WFP is considering reducing the number of commodities in the food basket, while at the same time maintaining its nutritional value.
39. The ration provided does not cover the full daily needs of refugees since there are a number of mechanisms through which refugees can obtain additional food. Temporary jobs in the vicinity of camps and odd income-earning trade within camps (selling firewood, selling Government-supplied kerosene, etc.) allow refugees some income to procure other food items. In addition, there is assistance from national Iranian NGOs, religious societies and Red Crescent Societies who occasionally provide food and other items. The mission noted that the main concern of the refugees in camps was the irregularity of food distribution rather than the insufficiency of the rations.
40. Wheat supplied to refugees is used to produce bread. The milling costs are borne by BAFIA and refugees receive either wheat flour or bread from the camp bakeries. Most camps have bakeries and the refugees pay a nominal sum to cover operating costs.
41. Schoolgirls will continue to receive 4.6 kilograms (one tin) of oil for each month of school attendance. A tin of oil has an income transfer value of approximately \$3. Approximately 7,000 refugee girls go to schools in camps; therefore, an additional 290 tons of vegetable oil will be allocated for school girls under this scheme in the PRRO.
42. Repatriates receive a one-time ration of 50 kilograms of wheat (or 40 kilograms of wheat flour) at the border. All Afghan returnees will receive their wheat from the PRRO in Afghanistan. Therefore, under this PRRO the wheat allocation for repatriation will cover only Iraqi refugees—estimated at 12,000 for the one-year duration. If conditions in Iraq improve and more refugees are able to return, the increased repatriation package wheat requirement (i.e. above the planned 600 tons) would be met through an appropriate budget revision. Initial borrowing from Government stocks is an option for providing wheat to cover a sudden surge in repatriation.

## Logistics arrangements

43. Under the ongoing PRO, all internal transport and handling of food commodities are covered by BAFIA and the Government. However, owing to financial difficulties faced by the Government, there have recently been irregularities in the supply of food commodities to the refugee camps. The mission noted that the entire range of commodities was not distributed at the same time, as the Government transported the food in accordance with the availability of funds rather than on the basis of needs in the camps. To overcome these difficulties the mission recommended that the transport and related costs be assumed by



WFP for all commodities except wheat (for which the State Organization for Grains (SOG) has the appropriate structure for national supply and distribution).

44. Iran is a food-deficit country and domestic market prices have not been competitive enough for WFP to engage in local purchases of food. All WFP commodities have been imported at a lower cost. The possibility of borrowing wheat from the SOG allows WFP to bridge the gap for shortfalls, especially if there are sudden influxes of refugees.
45. WFP will deliver food aid to Iran at the ports of Bandar Imam Khomeini and/or Bandar Abbas. Wheat will be provided in bulk at the entry point and BAFIA will be responsible for customs clearance and for moving the wheat to the final destination for refugees at the Government's expense. Internal transport, storage and handling (ITSH) of wheat will be the Government's responsibility, except for the wheat (or wheat flour) utilized in the repatriation package for which WFP will allocate ITSH of \$26 a ton. The ITSH rate is based on a logistics matrix calculated by WFP Tehran following a transport market study. For all other commodities (rice, vegetable oil, pulses and sugar), the Government will only have the responsibility of clearing the commodities from customs. All internal transport within Iran to final distribution points will be managed by WFP Tehran through competitive bidding, for which an ITSH rate of \$26 a ton has also been determined.
46. The distribution modalities and therefore the logistics arrangements for vulnerable refugees outside camps are yet to be worked out. The intention, tentatively agreed to by the Government, is to initiate a pilot scheme to distribute food stamps to the beneficiaries, which will allow them to procure food commodities in designated stores. Since the modalities have not been fully established, the costs cannot yet be calculated.

### **Staffing**

47. To monitor assistance to non-camp refugees, the current WFP country office staff will be increased by one Programme Officer and one Junior Professional Officer. Training on rapid appraisal methods for national staff is required to monitor the non-camp refugees. WFP will also provide support in the form of training for BAFIA staff in reporting and monitoring on distribution of food to beneficiaries.
48. WFP has set up a sub-office in Kermanshah in western Iran to monitor the large number of camps in the four border provinces (covering 14 camps). The sub-office is located within the UNHCR Kermanshah office. The increased monitoring of the feeding programme for the non-camp population is reflected in the additional travel costs for national staff.

### **Non-food items**

49. Almost all non-food items in camps are currently supplied by UNHCR and the Government. UNHCR has provided for the basic infrastructure in the existing camps. With UNHCR support, the Government has provided the camps with education, health and sanitation facilities. This support is expected to continue under the PRRO.

### **Technical assistance**

50. Under the new approach of reaching non-camp vulnerable refugees, there will be a need to carry out food impact studies on the refugee population. These studies will be in addition to periodic on-the-spot surveys that the WFP country office staff will conduct as continuous monitoring of food assistance. The results of the socio-economic survey will be utilized for more precise targeting.



### **Contingency provisions**

51. Within the context of regional instabilities, Iran will most probably continue to host large numbers of refugees for some time to come. No specific contingency provision is made in this PRRO since any major influx is expected to be handled under a separate emergency operation. However, the Government has confirmed that it will be able to lend wheat, albeit in limited quantities, for any initial urgent food requirements.

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### **RECOMMENDATION OF THE EXECUTIVE DIRECTOR**

52. The PRRO is recommended for approval by the Executive Board, within the budget provided in Annexes I and II.



## ANNEX I

<b>PROJECT COST BREAKDOWN</b>			
	<b>Quantity (metric tons)</b>	<b>Average cost per ton</b>	<b>Total value (dollars)</b>
<b>WFP COSTS</b>			
<b>A. Direct operational costs</b>			
Commodity <sup>1</sup>			
– Wheat	16 441	120	1 972 920
– Rice	4 526	250	1 131 500
– Pulses	1 358	230	312 340
– Edible oil	1 195	750	896 250
– Sugar	679	300	203 700
<b>Total commodities</b>	<b>24 199</b>		<b>4 516 710</b>
External Transport	24 199	46.6	1 127 678
ITSH	8 358	26	217 308
<b>Subtotal direct operational costs</b>			<b>5 861 696</b>
<b>B. Direct support costs (see Annex II for details)</b>			<b>235 000</b>
<b>Subtotal direct support costs</b>			<b>235 000</b>
<b>Total direct costs</b>			<b>6 096 696</b>
<b>C. Indirect support costs (7,1 percent of total direct costs)</b>			<b>432 865</b>
<b>Subtotal indirect support costs</b>			<b>432 865</b>
<b>TOTAL WFP COSTS</b>			<b>6 529 561</b>

<sup>1</sup> This is a notional food basket used for budgeting and approval purposes. The precise mix and actual quantities of commodities to be supplied to the project, as in all WFP-assisted projects may vary over time depending on the availability of commodities to WFP and domestically within the recipient country.



**ANNEX II****DIRECT SUPPORT REQUIREMENTS (*dollars*)**

<b>Staff costs</b>	
International	105 750
Local staff and temporaries	42 600
<b>Subtotal</b>	<b>148 350</b>
<b>Technical support services</b>	
Project appraisal/assessment	5 000
Evaluation	10 000
<b>Subtotal</b>	<b>15 000</b>
<b>Travel and DSA</b>	
In-country	12 000
<b>Subtotal</b>	<b>12 000</b>
<b>Office expenses</b>	
Rental of facility	5 000
Utilities	1 000
Communications	3 000
Office supplies	1 000
Equipment repair and maintenance	1 000
<b>Subtotal</b>	<b>11 000</b>
<b>Vehicle operation</b>	
Maintenance	3 000
Fuel	3 000
<b>Subtotal</b>	<b>6 000</b>
<b>Equipment</b>	
Vehicles	25 000
Computer equipment	14 000
Other equipment (furniture)	2 000
<b>Subtotal</b>	<b>41 000</b>
<b>Other</b>	
Miscellaneous office expenses	1 650
<b>Subtotal</b>	<b>1 650</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>235 000</b>

