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**Executive Board
Annual Session**

Rome, 7–11 June 2010

PROJECTS FOR EXECUTIVE BOARD APPROVAL

Agenda item 9

For approval



Distribution: GENERAL
WFP/EB.A/2010/9-C/1

11 May 2010
ORIGINAL: ENGLISH

PROTRACTED RELIEF AND RECOVERY OPERATIONS— DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA 200114

Nutrition Support for Women and Children

Number of beneficiaries	2,536,000
Duration of project	24 months (1 July 2010–30 June 2012)
WFP food tonnage	157,047 mt
Cost (United States dollars)	
WFP food cost	60,170,171
Total cost to WFP	96,340,949

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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for approval

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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EXECUTIVE SUMMARY

The Democratic People's Republic of Korea, which has a population of 24 million, has an index of 18.4 – classed as “serious” – in the International Food Policy Research Institute Global Hunger Index for 2009.

The country has been largely excluded from the processes of globalization, economic transformation and the expansion of information technology, and has experienced energy shortfalls and economic constraints; there is a need to modernize its transport and information infrastructures. There have been economic adjustments – the most recent is redenomination of the currency, in late 2009 – but it is too early to see the impact on the social and economic sectors.

Despite improvements in agriculture since the mid-1990s, the country suffers widespread food shortages: production is severely limited by input shortages, particularly fuel and fertilizers, and by vulnerability to natural disasters, the result of variations in climate and environmental degradation. Flooding in August 2007 caused extensive destruction of crops and farmland and led to an official request for emergency food assistance.

According to the Global Information and Early Warning System, the 2009 cereal harvest was below average despite slight improvements the previous year: the country requires 3.54 million mt of cereals for human consumption¹ and an additional 1.2 million mt for seed, animal feed, industrial use, post-harvest losses and stock changes for the 2009/10 marketing year. The Food and Agriculture Organization of the United Nations estimates that the country needs to import 1.25 million mt of cereals to meet its food requirements for 2009/10, but in view of economic constraints it continues to have difficulty in funding its large food imports.

WFP assessments during 2008 and 2009² indicated marginal improvements in food security, but public rations are insufficient, food consumption is poor and negative coping strategies are extensively used. The October 2008 crop and food security assessment mission indicated that 8.7 million people – 37 percent of the population – were in need of food assistance in 2008/09, including pregnant and lactating women and young children.

The country has high rates of malnutrition compared with others in the region: 33 percent of children are stunted, and 20 percent are underweight; 25 percent of pregnant and lactating women are malnourished. Despite recent improvements, the rates of infant mortality and maternal mortality are still high according to the 2008 census. There is a need for continued targeted interventions with highly nutritious foods.

This operation follows emergency operation 107570, which responded to flooding and high food and fuel prices, signalling a return to the transition from emergency relief to recovery. Stakeholders were consulted and their feedback taken into consideration in the design. The operation covers only part of the food and nutritional needs of the population; it is based on

¹ Based on the apparent per capita cereal consumption of 148 kg per year and a population of 24 million.

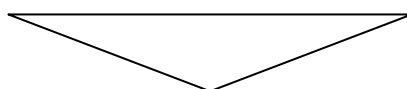
² Mid-term review of emergency operation 10757, July 2009.

assessments of the needs of the most vulnerable children, pregnant and lactating women and food-insecure or vulnerable households.

The goal of the operation is to enhance the food and nutritional security of 2.53 million beneficiaries in food-insecure areas. The objectives are to: i) restore and rebuild livelihoods and food and nutritional security; and ii) assist the Government's strategy for food security by supporting local production of fortified foods. The objectives are in line with Strategic Objectives 3 and 5 and contribute to the achievement of Millennium Development Goals 1, 4, 5 and 7 and the United Nations' Strategic Framework (2011–2015).

The Government is intent on avoiding dependence on international food assistance and is prioritizing measures to improve the food security of the population. It is clear, however, that in the short and medium term the agriculture sector will not be able to meet national food requirements and that additional economic investment and reforms and continued external assistance will be needed to promote sustainable food production and improved access to food.

DRAFT DECISION*



The Board approves the proposed protracted relief and recovery operation Democratic People's Republic of Korea 200114 "Nutrition Support for Women and Children" (WFP/EB.A/2010/9-C/1).

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.

SITUATION ANALYSIS AND SCENARIOS

Context

1. According to the 2008 national census of population and housing supported by the United Nations Population Fund (UNFPA), the Democratic People's Republic of Korea (DPRK) has a population of 24 million, of which men account for 48.7 percent and women 51.3 percent;³ 60 percent of the population live in urban areas. Between 1993 and 2008 the population increased by 3 million, an average annual growth rate of 0.85 percent.
2. During the 1990s, when many countries embarked on rapid globalization, economic transformation and expansion of information technology, DPRK suffered from its exclusion from these advances. Instead, it faced energy shortfalls, food insecurity, declining social development and outdated economic, transport and information infrastructures.
3. The domestic economy is predominantly industry-based, but it suffers from lack of inputs and poor access to modern processes and technology. Aid and foreign investment are far below the levels required to revive the economy, particularly following adoption of United Nations Security Council resolutions 1718 in 2006 and 1874 in 2009, which impose sanctions on trade in certain goods and limit the scope for foreign investment. The People's Republic of China is the main trading partner: imports into DPRK in 2008 totalled US\$2.03 billion and exports were US\$750 million, resulting in a record trade deficit of US\$1.28 billion, 58 percent higher than the previous year.
4. A number of economic adjustments in 2002 and late 2009 included redenomination of the currency, the won, to curb inflation. But these adjustments are still in transition and it is too early to see any impact on the social and economic sectors.
5. Inadequate water and sanitation systems constitute a major risk to health and nutrition. Water and sanitation systems put in place during the early 1980s are now deteriorating because of low levels of investment and repair, shortages of electricity and damage in natural disasters. Undernutrition is the leading cause of under-5 mortality, but diarrhoea and pneumonia caused by poor-quality water supplies, sanitation and hygiene are contributing factors.

The Food Security and Nutrition Situation

6. Production during the early and main agricultural seasons is routinely limited by shortages of inputs such as mechanized equipment, good-quality seeds, fertilizer, pesticides, fuel, plastic sheeting and labour. DPRK is vulnerable to natural disasters and variations in climate; the widespread environmental degradation, deforestation and erosion are partly caused by unsustainable practices such as hillside farming and uncontrolled collection of firewood.
7. According to the International Food Policy Research Institute, DPRK had a global hunger index⁴ of 18.4 in 2009, which is classed as "serious"; the indices for neighbouring countries are much lower.⁵ The joint crop and food security assessment mission (CFSAM)

³ Central Bureau of Statistics, Juche 98. *2008 Population Census National Report*. Pyongyang.

⁴ Composite index of three indicators: i) proportion of undernourished population; ii) prevalence of underweight in children under 5; and iii) mortality rate of children under 5.

⁵ China – 5.7; Mongolia – 12.9; Russia – <5

by the Food and Agriculture Organization of the United Nations (FAO) and WFP in October 2008 indicated that 8.7 million people – 37 percent of the population – would be in need of food assistance. Cereal import requirements in 2008/09 were estimated at 1.8 million mt, but it is believed that this figure was not achieved because of a trend towards reduced commercial imports and food aid.

8. In the absence of an FAO/WFP CFSAM in 2009, the United Nations received government figures⁶ that showed a 7 percent net increase in cereal production – 332,000 mt – between 2008 and 2009.⁷ According to the FAO Global Information and Early Warning System, a below-average cereal harvest was forecast for 2009 despite slight improvements in 2008; it estimates that DPRK requires 3.54 million mt of cereals for human consumption⁸ and an additional 1.2 million mt for seed, feed, industrial use, post-harvest losses and stock changes. FAO estimates import requirements of 1.25 million mt of cereals for the marketing year 2009/10.
9. The impact of the sustained food deficit is felt unevenly among the population: urban areas depend on public rations, and the mountainous inland regions are even more vulnerable than the rest of the country. Government rations distributed through the public distribution system are the main source of cereals for households, but the entitlements depend largely on the main harvests in September and October. The average planned ration for 2010 is 380 g/person/day, significantly below the target of 500 g to 600 g and less than two thirds of daily energy requirements. These amounts may not actually be received.
10. The emphasis on cereal production, which uses 80 percent of arable land, has dietary repercussions in view of the small numbers of livestock and poultry and limited availability of vegetables. The inadequacy of people's diet translates into widespread micronutrient deficiencies, especially among schoolchildren and pregnant and lactating women; this in turn leaves people susceptible to infectious diseases, physical and mental development disorders, poor labour productivity and increased risk of premature death.
11. Undernutrition is a major cause of maternal and child mortality and constitutes a serious public health problem. DPRK still has high rates of malnutrition compared with other countries in the region:⁹ the 2009 multiple-indicator cluster survey (MICS)¹⁰ indicated rates of stunting at 32 percent, underweight at 19 percent and wasting among children under 5 at 5 percent. Aggregated provincial data shows stunting levels between 23 percent and 45 percent, underweight from 14 percent to 25 percent and wasting between 2 percent and 8 percent; 28 percent of pregnant and lactating women are undernourished measured by mid-upper arm circumference of less than 22.5 cm. According to the 2008 census, since 1993 infant mortality had increased from 14/1,000 live births to 19/1,000 live births; maternal mortality had increased from 54/100,000 live births to 77/100,000 live births.
12. According to WFP's July 2009 mid-term review of emergency operation (EMOP) 107570, food security in DPRK improved marginally between 2008 and 2009, but 50 percent of the households surveyed had a poor or borderline food consumption score. Families relied on negative coping strategies: one in six households fell into a high-risk

⁶ Unmilled cereals

⁷ Production was 4,608,188 mt in 2008 and 5,012,167 mt in 2009.

⁸ Using the apparent per capita cereal consumption of 148 kg per year and a population of 24 million.

⁹ Prevalence of underweight: China – 7 percent; Mongolia – 6 percent; East Asia and the Pacific – 14 percent. Prevalence of stunting: China – 11 percent; Mongolia – 21 percent; East Asia and Pacific – 16 percent.⁹

¹⁰ Preliminary data from the 2009 MICS, Central Bureau of Statistics, Juche 98 [Korean way to represent 2009].

category for livelihoods. Food insecurity remains a threat for groups such as pregnant and lactating women and young children, and there is a continued need for targeted interventions with highly nutritious foods. Rebuilding and enhancing livelihoods has become a priority, particularly during lean seasons.

Scenarios

13. The food assistance planned for PRRO 200114 will partially cover the needs of targeted populations. It is based on assessments of the needs of 2,536,000 beneficiaries – vulnerable children, pregnant and lactating women and food-insecure communities. Continued imports of bilateral food aid are therefore required to provide dietary supplements. The international political context of DPRK is likely to influence the levels of resources for PRRO 200114.
14. Natural disasters and extreme weather could lead to increased emergency food needs, particularly during the summer rainy season. WFP will respond to requests from the Government and national partners for additional assistance or expertise if new challenges emerge or if there are political changes that have a bearing on the need for external assistance.

POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT AND OTHERS

Policies, Capacities and Actions of the Government

15. The transition from relief to recovery interventions that started in 2006 was interrupted in May 2008 when the Government requested humanitarian assistance to cope with crop losses caused by the August 2007 floods and a decrease in food imports and aid. National policy, however, promotes self-sufficiency, prioritizing improvements in living standards by 2012 through enhanced industrial and agricultural production, increased exports and the promotion of science and technology.
16. The Government prioritizes the social and economic needs of women and children; livelihood support is also a priority, and national guidelines are in place for the implementation of community development projects with WFP.
17. Social development and progress towards the Millennium Development Goals (MDGs) is variable: achievement of MDG 1 remains a challenge; in relation to MDG 2, an 11-year free compulsory education policy ensures that all children complete secondary education. According to government sources, the indicators for parity between boys and girls attending school and for literacy among boys and girls have been met. DPRK has also promoted aspects of gender equality and the empowerment of women in line with MDG 3, but nutrition remains a concern.

Policies, Capacities and Actions of Other Major Actors

18. There are six United Nations agencies in DPRK: WFP, FAO, the United Nations Children's Fund (UNICEF), UNFPA, the World Health Organization (WHO) and the United Nations Development Programme (UNDP); their programmes include emergency, humanitarian and recovery interventions. Resource shortfalls have affected all the agencies as the international political context has become more challenging; most receive funding from the Central Emergency Response Fund. In mid-2010 UNICEF will start a new project

with an US\$88 million five-year grant from the Global Fund to Fight AIDS, TB and Malaria to achieve a 50 percent reduction in the number of cases.

Coordination

19. Internationally-assisted activities will continue to be coordinated through weekly meetings in Pyongyang chaired by the United Nations Resident Coordinator. Each agency will continue to lead thematic working groups; WFP will participate in the agriculture and health and nutrition theme groups and chair the theme group on food security. A government committee will coordinate activities relating to the WFP operation.
20. United Nations activities are coordinated with the Government under a United Nations Strategic Framework (2006–2010) that focuses on sustainable energy, environmental management, food availability and basic social services. A new framework for 2011–2015 is being prepared in line with the MDGs with four priorities: social development, partnerships for knowledge and development management, nutrition and climate change and the environment.

OBJECTIVES OF WFP ASSISTANCE

21. The goal of PRRO 200114 is to enhance food and nutritional security in food-insecure areas, with emphasis on nutritional support for women and children. The objectives are to:
 - restore and rebuild livelihoods and food and nutritional security by providing nutritional support for women and children and through food for community development (FFCD) programmes (Strategic Objective 3); and
 - assist the Government's strategy for food security by supporting local production of fortified foods (Strategic Objective 5).

WFP RESPONSE STRATEGY

Nature and Effectiveness of Food Security Assistance

22. WFP has delivered 4.3 million mt of food assistance to DPRK since 1995. In 2006, the Government suspended EMOP 101413 until an agreement was reached on the two-year PRRO 104880, citing better harvests and concerns about a dependency culture.
23. In May 2008 the Government again requested WFP emergency distributions after the 2007 floods and a decrease in food imports and aid. In response, WFP launched EMOP 107570 to support 6.2 million beneficiaries; a budget revision approved in 2009 extended the EMOP to June 2010. WFP provided food through 36,783 institutions in 139 counties.
24. The goals of previous WFP operations in DPRK were to meet the food needs of vulnerable groups, mitigate the disproportionate impact of increased fuel and food prices and assist with the recovery of livelihoods of people affected by flooding through vulnerable group feeding, FFCD and local food production. Vulnerable group feeding, the largest element, included orphanages and mother-and-child health and nutrition and school feeding in nursery schools, kindergartens and primary schools.
25. The July 2009 mid-term review found that WFP's prioritization of children and women was effective and that households were more food secure compared with the previous year. The MICS showed that stunting among children under 5 had fallen from 37 percent to 32 percent and that underweight had fallen from 23 percent to 19 percent: these

improvements are partly attributable to WFP food assistance and emphasize the need for sustained assistance to maintain the gains.

26. WFP's capacity development focused on enhancing the Government's ability to produce fortified foods. Local production of these foods increased from 11,100 mt in 2007 to 36,000 mt in 2009. During EMOP 107570, WFP trained 600 local counterparts to enhance warehouse management and distribution reporting, and government counterparts and WFP national staff were sent for external training.

Strategy Outline

27. PRRO 200114 builds on lessons learned from previous WFP operations in DPRK. The planned response strategy focused on addressing the impacts of undernutrition and enhancing the livelihoods of targeted beneficiaries. Three complementary approaches are envisaged: nutritional support for women and children, FFCD and local food production. Each will have innovative features to meet nutritional and livelihood needs.

Nutritional Support for Women and Children

28. WFP will continue its work to improve the health and nutrition of nutritionally vulnerable with locally produced fortified foods for children in nurseries, kindergartens, hospitals and orphanages and fortified biscuits for primary schoolchildren. Pregnant and lactating women will also receive fortified blended foods. Cereals, pulses and oil are included in the food basket to meet energy and nutritional requirements.
29. PRRO 200114 will provide assistance through 16,667 institutions in 60 counties: 1,219 public distribution centres, 1,658 primary schools, 9,354 nurseries, 4,344 kindergartens, 67 paediatric units and 25 orphanages.

Food for Community Development

30. FFCD is a major component of WFP's operations in DPRK: it focuses on irrigation canals, land rehabilitation, tree planting and watercourse excavation and embankments. WFP will build on its expertise and network of partners, which includes FAO and the ministries of land and the environment and agriculture, to address emergency rehabilitation of infrastructure. The recent FFCD guidelines will be used to ensure programme effectiveness.

Local Food Production

31. Provision of locally produced fortified foods for children and women has been an essential feature of WFP's operations in DPRK for a decade. The main objective is to transform WFP food assistance into products that are nutritionally balanced, micronutrient fortified and easily digestible such as corn-milk blend (CMB), corn-soya milk blend (CSM), rice-milk blend (RMB) and biscuits made from fortified maize and wheat flour. Food factories will produce 70,560 mt of fortified foods during PRRO 200114, which will require 82,952 mt of basic foods accounting for 53 percent of total planned food. Of the 13 factories supported under EMOP 107570, three CSM factories, two CMB factories, five biscuit factories and the Pyongyang RMB factory will continue to operate under PRRO 200114, with the possible addition of a further unit for fortified flour.

Hand-Over Strategy

32. The Government is unwilling to be dependent on international food assistance and is prioritizing measures to improve the food security of the population. It is clear, however, that the agriculture sector is unable to meet national food requirements in the short and medium term, and that increased economic investments and reforms and continued external assistance are needed to promote sustainable food production and improve food access. WFP will continue to build counterparts' capacities in local food production and food management with a view to an eventual hand-over.

BENEFICIARIES AND TARGETING

33. Under PRRO 2014, nutrition support is planned in targeted areas for children in hospitals and paediatric units, pregnant and lactating women and children in nurseries, kindergartens and primary schools identified by assessments¹¹ as being most at risk in terms of their nutritional needs and high prevalence of malnutrition.¹² FFCD will support food-insecure and vulnerable households in communities with temporary employment opportunities, particularly during the lean season. FFCD participants and beneficiaries will be selected in accordance with the criteria in the guidelines.

Activity	Subcomponent	Beneficiaries			
		Target Group	Male	Female	Total
Nutritional support for women and children	i) Institutional feeding	Children under 5 in homes	1 400	1 300	2 700
		Children aged 5–6 in residential centres	1 300	1 300	2 600
		Children aged 7–16 in boarding schools	3 300	3 400	6 700
		Patients in hospitals and paediatric units	67 000	103 000	170 000
	ii) Pregnant and lactating women	Pregnant and lactating women	-	383 000	383 000
	iii) Schools	Children in nurseries and kindergartens	347 000	334 000	681 000
		Primary schoolchildren	430 000	410 000	840 000
Subtotal			850 000	1 236 000	2 086 000
FFCD	Food for work	Food-insecure families	219 000	231 000	450 000
Subtotal			219 000	231 000	450 000
Total			1 069 000	1 467 000	2 536 000

¹¹ For example the DPRK Rapid Food Security Assessment in June 2008.

¹² Because community and social support are available, elderly people assisted under EMOP 107570 will be excluded from PRRO 20114 and handed over to the Government for continued support.

NUTRITIONAL CONSIDERATIONS AND RATIONS

34. Rations will be provided on the basis of nutrition requirements to supplement food provided by the Government, with adjustments to reflect increased energy needs during the winter. Access to fortified food such as CSM, RMB and CMB produced in WFP-supported factories will be ensured throughout the year for women and children: they have been used in DPRK for many years and are accepted among target populations. Cereals, pulses and oil will be distributed during the January–June lean season when household food security deteriorates. Orphanages, boarding schools and paediatric units will receive the full food basket.

TABLE 2: DAILY RATION, BY ACTIVITY

Food type	Nutritional Support for Women and Children									FFCD
	Institutional feeding					P/I women	Schoolchildren			
	Homes for under 5s	Centres for children aged 5–6	Boarding schools for children aged 7–16	Patients aged 6 months–16 years in hospitals and paediatric units	Mothers in paediatric units		Nursery children aged 6–48 months	Kindergarden children aged 5–6	Primary school children aged 7–10	Food for work
RMB	100	-	-	100	-	-	-	-	-	-
Cereals	150	200	200	200	250	250	150	150	-	667 ¹³
Beans	-	-	50	50	-	100	0	0	-	-
Oil	25	25	25	25	-	25	25	25	-	-
CMB/CSM	100	100	100	100	-	100	100	100	-	-
Biscuits	-	60	60	-	-	0	0	60	60	-
kcal/day	1 550	1 600	1 800	1 900	875	1 850	1 150	1 400	270	-
% kcal from protein	13	11	13	14	11	14	12	11	11	-
% kcal from fat	25	27	25	22	10	21	29	29	30	-

¹³ FFW is remunerated on a productivity basis with an average of 2 kg of cereals per workday on the basis of a three-person ration.

TABLE 3: FOOD REQUIREMENTS, BY ACTIVITY (mt)

Food type	Nutritional Support to Women and Children									FFCD	Total
	Institutional feeding					P/I women	Schoolchildren				
	Children in homes for under 5s	Children aged 5–6 in centres	Children aged 7–16 in boarding school.	Patients aged 6m–16y in paed. units	Mothers in paed. units	Pregnant /lactating women	Nursery children aged 6 – 48 months	Kinder garden children aged 5-6	Primary school children aged 7-10	Food for work	
RMB	130			397							527
Cereals	194	189	648	794	295	11 828	18 803	10 286		20 000	63 037
Beans			80	99		4 731					4 910
Oil	16	12	40	49		1 183	3 134	1 714			6 148
CMB/CSM	130	95	324	397		9 528	25 071	11 429			46 974
Biscuits		56	194					6 857	15 951		23 058
Total	470	352	1 286	1 736	295	27 270	47 008	30 286	15 951	20 000	144 654¹⁴

IMPLEMENTATION ARRANGEMENTS

35. Under existing arrangements, the national coordinating committee established under the Ministry of Foreign Affairs will continue to coordinate WFP assistance. The list of children's institutions is available in a global implementation plan, which has been updated with recent survey figures.

Nutritional Support for Women and Children

36. Fortified foods will be delivered to children's institutions; rations for pregnant and lactating women will be distributed through the public distribution system. Regional and county paediatric hospitals will be supported with rations of cereals, pulses, oil and CMB/CSM. Augmented rations that include RMB will be distributed as an instant meal through paediatric units and orphanages to treat sick and wasted children. UNICEF will provide therapeutic foods such as Plumpy'nut[®] and F-100 in hospitals and micronutrient powder in baby homes.

Food for Community Development

37. In collaboration with the Government and partners, WFP will continue to assist food-insecure workers with opportunities to earn an extra 2 kg of cereals per workday through community-based initiatives under the guidance of the ministries of land and the environment and agriculture, focusing on agricultural production and rehabilitation of flood-affected infrastructures. Participants and beneficiaries will be selected in accordance with the FFCD guidelines.

¹⁴ Total food requirements of PRRO 200114 are higher at 157,047 mt (see Annex I-A) to take into account wastage during local preparation of food.

Local Food Production

38. WFP will continue to support local production of fortified foods through management of the programme and the provision of raw materials and funding for equipment, packaging, vitamin/mineral premix and spare parts. The Government will operate the factories and employ workers and provide electrical power, building maintenance and in some cases transport to beneficiary institutions.

Non-Food Items

39. As in previous years, most non-food items budgeted under other direct operating costs will consist of spare-parts and packaging for food factories. WFP will support communities with tools for FFCD projects and invest in improving data collection and management capacities. WFP will continue to support cargo handling at ports and sound warehousing by procuring logistics support equipment.

Partnerships

40. There are few opportunities for partnerships with United Nations agencies and NGOs in DPRK. WFP will focus on: i) nutrition with UNICEF and WHO – rehabilitation of hospitals and children’s centres, training for midwives and healthcare providers, education for mothers responsible for care, distribution of information, education and communications and provision of vitamin-A and iron tablets; ii) agriculture with FAO and UNDP – promotion of higher yields, improvement of agriculture on slopes, rehabilitation of infrastructure, and safe drinking water, sanitation and hygiene.

Logistics Arrangements

41. WFP will be responsible for transporting food to DPRK through the ports of Nampo, Hungnam and Chongjin. Food will arrive in bulk or in bags; bulk food will be bagged by WFP. Food will also be imported by rail through Sinuiju and Namyang. The Government will be responsible for docking, unloading, storing and protecting the food.
42. The Government will transport food to district warehouses and subsequently to final distribution points and beneficiary institutions on the basis of plans jointly approved with WFP. The Government will be responsible for internal transport, storage and distribution of food. WFP will reimburse part of the transport costs at US\$8 per ton, verified through a system of consignment notes.

Procurement Plans

43. When local purchase is not possible food will be purchased on the international market and imported, with preference for regional procurement to save costs and reduce delivery times.

PERFORMANCE MONITORING

44. The results-based management approach is the basis of WFP’s monitoring system. The logframe for PRRO 200114 is given in Annex II: outcome indicators will be monitored; it is planned to collect nutritional data through regular monitoring or rapid nutritional assessments. A mid-term review of PRRO 200114 will be undertaken in 2011.
45. WFP will have access at all stages of the food supply chain: its first distribution plan covers arrival in DPRK and transport to provincial and county food factories; distribution

to beneficiaries and institutions is covered by its second distribution plan based on the location of beneficiaries, numbers and feeding days.

46. The Commodity Movement Processing and Analysis System will continue to track food deliveries with a view to minimizing and accounting for post-distribution losses.
47. Monitoring tools such as checklists for children's institutions, hospitals, public distribution centres and households will be used to ensure that food assistance reaches the intended beneficiaries on time. Consolidated country-wide distribution reports will be submitted to WFP on a regular basis. International staff will interview county officials and visit households, institutions, hospitals, warehouses and public distribution centres through which WFP food assistance is distributed. Beneficiary contact monitoring will verify receipt of food and monitor beneficiaries' perceptions of the programme.
48. To complement seasonal assessments of food security and nutrition, a food security monitoring system will be integrated into regular monitoring to enable WFP to understand changing food security patterns. The costs of assessments and food security monitoring are included in the budget.

RISK ASSESSMENT AND CONTINGENCY PLANNING

Risk Assessment

49. Lack of donor support and insufficient funding would have a direct impact on operations in terms of pipeline breaks, reduced coverage and reduced staffing. The operational context in which WFP operates in DPRK could produce administrative and other challenges that hamper monitoring. Sustained follow up will be required to improve WFP's ability to carry out quality assessments.

Contingency Planning

50. WFP will continue to mobilize resources and will approach traditional and non-traditional donors to raise funds. It will address resource shortfalls by reducing and prioritizing activities, for example by reducing assistance for some vulnerable groups, curtailing activities and reducing target areas, and by suspending recruitment.
51. WFP will continue to work with the Government to enhance the programming and operational modalities of PRRO 200114 and revise or prepare letters of understanding as necessary. In the event of increased needs as a result of a crisis, an EMOP or budget revision of PRRO 200114 will be prepared.

SECURITY CONSIDERATIONS

52. Through the Protocol Department of the Ministry of Foreign Affairs, the Government is responsible for the security of United Nations and other international staff and has undertaken to provide logistics support in the event of a medical evacuation.
53. The country office is compliant with minimum operating security standards; all staff have taken the CD-ROM security-awareness training. The permitted use of very high frequency radio handsets and high frequency radios in vehicles has greatly improved staff safety and operational efficiency.

ANNEX I-A

WFP PROJECT COST BREAKDOWN				
Food ¹	Quantity (mt)	Average cost (US\$/mt)	Value (US\$)	Value (US\$)
Wheat	45 367	169	7 667 023	
Maize	79 243	260	20 603 180	
Rice	347	460	159 620	
Sugar	8 208	705	5 786 640	
Dried skimmed milk	3 654	2 760	10 085 040	
Pulses	10 077	650	6 550 050	
Vegetable oil	10 151	918	9 318 618	
Total food	157 047		60 170 171	60 170 171
External transport				16 238 267
Landside transport, storage and handling				1 570 470
Other direct operational costs				3 265 430
Direct support costs ² (see Annex I-B)				8 793 932
Total direct project costs				90 038 269
Indirect support costs (7.0 percent) ³				6 302 679
TOTAL WFP COSTS				96 340 949

¹ This is a notional food basket for budgetary and approval purposes. The contents may vary.

² Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

³ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff related costs	
International professional staff	4 848 240
International general service staff	130 200
National professional officers	118 800
National general service staff	365 000
Temporary assistance	80 500
Overtime	2 000
Hazard pay and hardship allowance	363 300
International consultants	92 000
Staff duty travel	912 012
Subtotal	6 912 052
Recurring expenses	
Rental of facility	437 760
Utilities	171 600
Office supplies and other consumables	118 800
Information technology services	262 400
Equipment repair and maintenance	92 400
Vehicle maintenance and running costs	474 600
Office set-up and repairs	60 720
Subtotal	1 618 280
Equipment and other fixed costs	
Vehicle leasing	183 600
Information technology equipment	60 000
Local security costs	20 000
Subtotal	263 600
TOTAL DIRECT SUPPORT COSTS	8 793 932

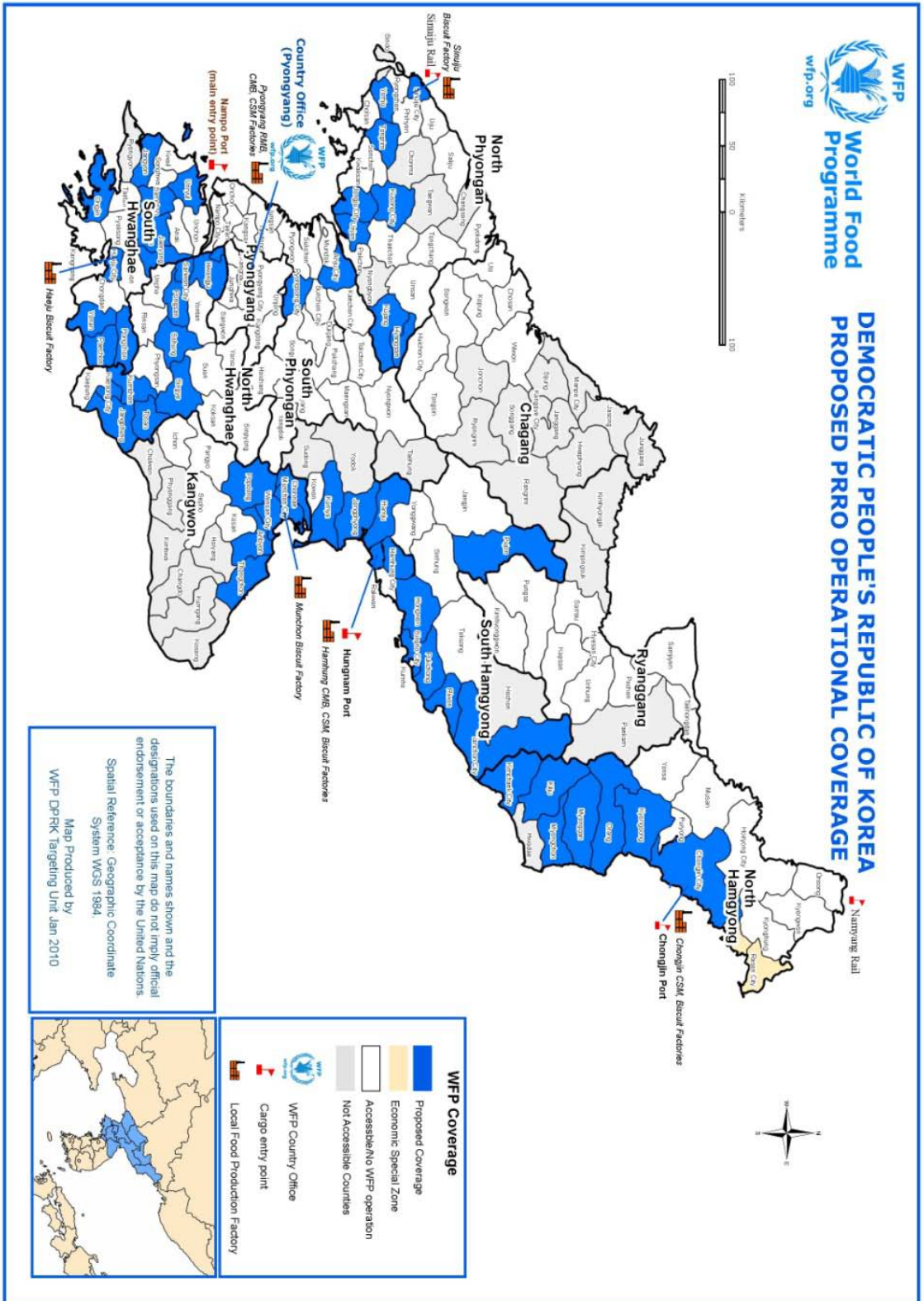


ANNEX II: LOGICAL FRAMEWORK		
Results	Performance indicators	Risks and assumptions
Restore and rebuild livelihoods and communities affected by shocks (Strategic Objective 3)		
Outcome 3.1 Improved food consumption among households, women and children	3.1.1 Food consumption score: % of households participating with acceptable food consumption score Baseline: 48% of households have acceptable score of 42 Target: 70%	Restrictions on collecting accurate field data Availability and timely distribution of fortified foods
Output 3.1.1 Food distributed in sufficient quantity and quality to targeted beneficiaries	Number of timely food distributions as per planned distribution schedule	Lack of transport Availability and timely distribution of food Low production of LFP products due to lack of inputs
Output 3.1.2 Days of food rations distributed to targeted beneficiaries	Number of days on which rations were provided	Lack of resources from Government creates untimely food distribution Availability and timely distribution of food Low local production resulting from lack of inputs
Outcome 3.2 Targeted communities have increased access to assets through food for work to restore livelihoods	3.2.1 Community asset score Baseline: to be collected 3.2.2 Coping strategy index Baseline: 4.7% – 70% of households at risk of using negative coping strategies Target: stabilize or reduce coping strategy index and reliance on negative coping mechanisms.	Strong maintenance programme to ensure durability and sustainability of created assets. Lack of non-food items Limited availability of participants during planting and harvest seasons Bad weather prevents adequate implementation of food for work



ANNEX II: LOGICAL FRAMEWORK		
Results	Performance indicators	Risks and assumptions
<p>Output 3.2.1 Developed, built and restored assets in targeted communities</p>	<p>1. Number of assisted communities with improved physical infrastructure created or restored in the project 2. Km of dykes constructed 3. Ha protected or developed</p>	<p>Strong maintenance programme to ensure durability and sustainability of created assets Lack of non-food items Limited availability of participants during planting and harvest seasons Bad weather prevent full implementation of food for work</p>
<p>Output 3.2.2 Provision of maize in sufficient quantity to targeted beneficiaries</p>	<p>1. No. of timely distributions as per planned schedule 2. Number of people assisted</p>	<p>Availability and timely distribution of food Lack of transport and funding</p>
Strengthen the capacities of countries to reduce hunger including through hand-over strategies and local purchase (WFP STRATEGIC OBJECTIVE 5)		
<p>Outcome 5.1 Sustain local production capacity for fortified food</p>	<p>5.1.1 Maintain current production capacity of fortified food, including complementary food and special nutritional products in line with increase during EMOP 107570 Baseline: 3,100 mt locally produced food Target: 3,100 mt</p>	<p>Timely distribution of raw materials Lack of inputs such as technical assistance, raw materials</p>
<p>Output 5.1.1 Fortified food produced</p>	<p>1. Number of current factories supported (12)</p>	<p>Lack of inputs (raw material and spare parts) Lack of technical assistance</p>
<p>Output 5.1.2 People reached through WFP local food production</p>	<p>1. Number of people reached through WFP local food production 2. Number of schools assisted 3. Number of kindergartens assisted</p>	<p>Availability and timely distribution of food Limited access to institutions</p>

ANNEX III



The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries.

ACRONYMS USED IN THE DOCUMENT

CFSAM	crop and food security assessment mission
CMB	cereal-milk blend
CSM	corn-soya milk blend
DPRK	Democratic People's Republic of Korea
EMOP	emergency operation
FAO	Food and Agriculture Organization of the United Nations
FFCD	food for community development
MDG	Millennium Development Goal
MICS	multiple indicator cluster survey
PRRO	protracted relief and recovery operation
RMB	rice-milk blend
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
WHO	World Health Organization