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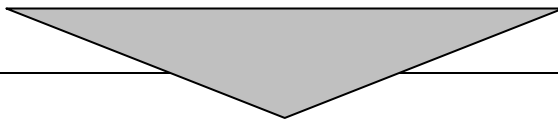
PROTRACTED RELIEF AND RECOVERY OPERATION— NEPAL 10058.2

Food Assistance to Bhutanese Refugees in Nepal

| | |
|-------------------------------------|-----------------------------------------|
| Number of beneficiaries | 103,850 |
| Duration of project | 12 months (1 July 2003–30 June 2004) |
| Cost (United States dollars) | |
| Total cost to WFP | 8,641,556 |
| Total food cost | 5,557,247 |

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Note to the Executive Board



This document is submitted for approval by the Executive Board.

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

Bhutanese refugees started to enter eastern Nepal in 1990, following Bhutan's enforcement of restrictive immigration and citizenship laws during the second half of the 1980s. By 1993, more than 80,000 refugees were in Nepal. In 1992, at the request of the Government of Nepal, the Office of the United Nations High Commissioner for Refugees (UNHCR) and WFP began an operation to provide shelter, food and assistance to refugees in the seven camps. Those who arrived prior to 1993 were granted refugee status, after which new arrivals were restricted to a few cases a year. In June 2002, the registered population in the camps was 101,617.

Joint WFP/UNHCR assessment missions to identify refugee needs have been carried out regularly from the outset. The latest was conducted in August 2002; its findings constitute the basis for this phase of the protracted relief and recovery operation (PRRO).

The mission found that progress in the bilateral verification process and the search for durable solutions had come to a standstill. The Joint Verification Team (JVT) completed interviews with residents of Khudunabari camp—12,090 people representing 1,933 families—on 14 December 2001. After the cautious optimism of last year, there is a feeling of disillusion among those involved in this operation. In the absence of results of the Khudunabari verification and lack of political progress, durable solutions remain a distant prospect.

The mission found that the camps continue to be well managed, with no significant operational problems. In the absence of durable solutions, however, the refugees continue to rely on external assistance for survival; continued humanitarian support is clearly needed. There was no evidence of serious nutrition problems, so levels of WFP assistance will remain as for the previous phase.

The principal role of food assistance under this PRRO is to help registered refugees meet basic nutritional requirements through a general ration and targeted supplementary feeding programmes, complemented by food and non-food items provided by UNHCR. WFP supports supplementary activities such as home gardening and vocational training to increase self-reliance and improve skills among women and vulnerable refugees.

This phase covers 103,850 refugees; the figure is based on the 101,617 refugees registered in June 2002 and projected annual growth of 1.45 percent.

Draft Decision

The Board approves PRRO Nepal 10058.2—"Food Assistance to Bhutanese Refugees in Nepal" (WFP/EB.1/2003/6-A/1).



CONTEXT AND RATIONALE

Context of the Crisis

⇒ *National Context*

1. Nepal is a least developed low-income, food-deficit country of 23.2 million people; per capita gross national product is slightly over US\$200. Half of the population live along the southern border with India on plains covering only 23 percent of national territory. Nepal ranks 129th out of the 162 countries listed in the Human Development Index of the 2001 United Nations Development Programme (UNDP) Human Development Report.
2. According to the 1996 Living Standards Survey, 42 percent of the population have a nutritional intake of less than 2,250 kcal per day; poor rural women and children are the most vulnerable. Maternal mortality is 540 per 100,000 live births;¹ mortality among children under 5 is 108 per 1,000.²
3. Poverty is largely rural: 80 percent of the population are subsistence farmers; 45 of Nepal's 75 districts are food deficit. Food insecurity in the food-surplus areas of the Terai results from limited access to and utilization of food; in the hills and mountains, all dimensions of food insecurity are evident.
4. Since the mid-1990s, Maoist rebels have staged an increasingly violent insurgency. This has had no immediate effect on the PRRO, but there is concern that competing priorities may limit the Government's ability to find durable solutions.

⇒ *The Bhutanese Refugees*

5. Bhutanese refugees started to enter eastern Nepal towards the end of 1990. Concern that southern Bhutanese ethnic Nepalese, a significant proportion of the population, would be sympathetic to the democracy movement in the region caused Bhutan to enforce restrictive immigration and citizenship laws during the second half of the 1980s. By 1993, more than 80,000 refugees were in Nepal. In 1992, at the request of the Government, UNHCR and WFP began an operation to provide shelter, food and non-food assistance to refugees in the seven camps. Those who arrived prior to 1993 were granted refugee status, after which new arrivals were gradually restricted to a few cases a year. In June 2002, the registered population in the camps was 101,617.
6. The camps are in the fertile, densely populated Terai region. The two districts have a combined population of 1.5 million and rank in the top ten of the country's 75 districts.³ The Terai attracts migrant workers from impoverished hill and mountain areas, adding to pressure on land and limited employment opportunities and resulting in pockets of extreme poverty. Tensions consequently exist between the refugees and the host population.
7. Nepal is not a signatory to the 1951 Refugee Convention. Refugees are considered foreigners without political rights; they are not allowed to engage in economic activity or own immovable property. The Government's policy of non-integration limits refugees'

¹Family Health Survey, 1996, as referenced in the Human Development Report 2002.

²Annual Report, Department of Health Services, 2000/2001.

³Indicators of Development, International Centre on Integrated Mountain Development/Netherlands Development Organization (ICIMOD/SNV), 1997.



access to the local economy. Refugees have freedom of association, however, and run several political organizations.

⇒ *Durable Solutions*

8. Negotiations between Nepal and Bhutan began in 1993. In March of 2001, after several rounds of meetings, the JVT began verifying the residents of Khudunabari camp. This involved family interviews conducted by Bhutanese and Nepalese officials to determine eligibility for one of four categories: non-Bhutanese citizens, Bhutanese who left voluntarily, Bhutanese who were forcibly evicted and criminals.
9. On 14 December 2001, the JVT completed interviews with the 12,090 people in 1,933 families resident in one of the camps.⁴
10. Subsequent progress in the bilateral verification process and the search for durable solutions has come to a standstill; ministerial-level talks scheduled for early 2002 have been indefinitely postponed.
11. In the absence of results of the Khudunabari verification and lack of political progress, the timing, modalities and scope of potential long-term solutions remain unclear.

Situation Analysis

12. In August 2002, a WFP/UNHCR joint assessment mission (JAM) reassessed the requirements of refugees in the camps, focusing on operational management, food supply, health and nutrition, living conditions, education services, supplementary activities, relationships between the refugees and the surrounding population and progress in finding durable solutions. Levels of food assistance required for future support were assessed.
13. The Government, WFP, UNHCR and non-governmental implementing partners were consulted at all levels. Five camps were visited. Discussions were held with camp management committees (CMCs), camp secretaries, health-service staff and the Refugee Women's Forum (RWF); delegations from other camps met; individual refugees and families were interviewed; debriefings were held with the Government, implementing partners and major donors. The mission's findings form the basis for this phase of the PRRO.
14. Between January 1992 and June 2003, WFP will have committed US\$78 million for food assistance, equivalent to 204,556 mt of commodities. By the end of 2003, UNHCR will have provided US\$44 million for care and maintenance programmes and US\$2.5 million for rehabilitation projects focusing on local communities in refugee-affected areas.
15. Direct assistance to Bhutanese refugees averages US\$115 per refugee for the current year.

⇒ *Camp Management Structure*

16. The Nepal Ministry of Home Affairs is responsible for the camps through the refugee coordination unit (RCU) in Jhapa, which oversees registration and transfers between camps and issues travel permits. Government-approved camp rules form the basis of camp administration.

⁴ Figures recorded by the refugee coordination unit, a sub-division of the Chief District Office, under the Ministry of Home Affairs, December 2001.



17. Daily management is handled largely by refugees, overseen by camp supervisors; technical and logistics support is provided by UNHCR, WFP and other agencies.
18. Each camp annually elects a CMC consisting of refugees, including a camp secretary and deputy, a women's focal point, sector heads and subsector heads. There are six main sub-committees: (i) administration, responsible for coordination with United Nations, government and partner agencies; (ii) project services, which deals with maintenance; (iii) distribution, which mobilizes volunteer labour to distribute relief items; (iv) social services, coordinating activities for vulnerable groups; (v) health, promoting refugee self-management in the health sector; and (vi) the counselling board, which settles disputes among refugees. Although equal gender representation on CMCs was not included in the election guidelines, women accounted for 32 percent of members in 2002. RWF, supported by UNHCR and WFP, continues to work on gender sensitization and women's empowerment. WFP strives to increase the percentage of women in CMCs and other leadership positions in order to meet its gender policy goals.
19. Several refugee organizations help deliver assistance to the camps. RWF implements vocational training and income-generating activities for women and vulnerable families. Bhutanese Refugees Aiding Victims of Violence (BRAVVE) assists vulnerable individuals and families in skill development. The Bhutanese Health Association (BHA) works with the Association of Medical Doctors of Asia (AMDA) to deliver health services.

⇒ **Camp Infrastructure: Shelter, Water and Sanitation**

20. The refugees' physical living conditions meet all basic requirements.
21. Dwellings typically consist of a mud base with bamboo walls and a thatched roof. One latrine is installed for every two dwellings. A camp subcommittee oversees maintenance of dwellings and latrines, managed by the Lutheran World Federation (LWF).
22. LWF and refugee incentive workers manage the water supply, which is regular and checked weekly. Good hygiene and rigorous monitoring of water quality contribute to low incidence of disease.
23. All camps are clean; no significant hygiene risks are apparent. The refugees' own initiative is significant in keeping the environment clean and comfortable.

⇒ **Health Services**

24. In January 2001, AMDA took over management of camp health services from Save the Children-UK. Each camp has a health centre, a mother-and-child-health clinic and one or two basic health units. There are referral hospitals outside, shared with the local population. Immunization is carried out monthly; coverage is 98 percent for children under 12 months.
25. BHA, overseen by AMDA, is responsible for preventive and community health, including regular screening of children under 5 for malnutrition, and public-health awareness campaigns. Almost 70 percent of the refugees are screened at the basic health units.

⇒ **Nutritional and Health Status of the Refugees**

26. Health and nutrition continue to be satisfactory and stable. There is no indication of any need to broaden the scope of the health services and care provided by AMDA, which are very satisfactory.



27. Nutritional interventions include vitamin-A distribution twice a year for young children, iron supplements for expectant mothers, deworming for schoolchildren, health education and supplementary feeding.
28. The annual death rate of 3.56 per 1,000 and the birth rate of 21.7 per 1,000 remain significantly lower than the national rates of 11.5 per 1,000 and 35.4 per 1,000. Infant mortality is 19.4 per 1,000 live births,⁵ fewer than one third of the national rate of 77.2 per 1,000.⁶ Maternal mortality is 138.6 per 100,000 live births, compared with the national 540 per 100,000.⁷
29. The nutritional status of the refugees is acceptable. The 2002 AMDA annual nutrition survey of all camps reported wasting at 3.5 percent, with no severe cases. Stunting—height-for-age—was almost 30 percent, however, with 5.7 percent severely stunted, or below -3 Z score. This may result from diarrhoea caused by feeding practices or poor food handling and preparation. The camp rates compare favourably with the national 54.1 percent and regional 47.7 percent. The extension of growth monitoring to 24 months and better training, health education and maternal awareness may further reduce the incidence of stunting.
30. Angular stomatitis (AS) cases caused by riboflavin (vitamin B²) deficiency have declined since 1999, following the introduction of the school-based supplementary feeding programme during 78 days of the dry season. AS rates were slightly lower among the children of families with home gardens. The 2002 survey indicated that only 6.52 percent of children and 8.69 percent of people at health clinics during the first half of 2002 had AS, compared with 19.34 percent in 1999. Increased AS awareness among health staff and the camp community has also contributed to better control of the condition.
31. Thiamin deficiency has been clinically diagnosed in the form of mild cases of beri-beri. Severe cases are rare, and the diagnosis is not confirmed, but beri-beri would increase if parboiled rice were no longer available, because there is four times more thiamin in parboiled rice than in raw rice.

⇒ *Impact of Refugee Presence on Local Communities*

32. The presence of some 100,000 refugees has a mixed impact on communities in Jhapa and Morang districts. This large humanitarian operation creates considerable economic opportunities in the region, but some communities resent the refugees' presence, often because of competition for unskilled labour opportunities. Although such opportunities are unofficial and irregular, some refugees do enter the local market. The relationship between refugees and local communities thus remains fragile.
33. In 1994, UNHCR began implementing the Refugee-Affected Areas Rehabilitation Programme (RAARP) to mitigate environmental damage caused by the presence of refugees. The project expanded over seven years to include tackling environmental issues near refugee camps and to supporting local communities in development initiatives. Since 1994, US\$2.5 million has been provided to village development committees for construction and repair of access roads near refugee camps, construction of school buildings and libraries, small-scale vocational training and group-loan schemes.

⁵ All camp figures from AMDA monthly health and nutrition reports, 2001.

⁶ All national figures except maternal mortality are from the Department of Health Services annual report, 2000/2001.

⁷ This figure represents three maternal deaths per 2,163 live births.



34. RAARP ended in March 2002; it will not be extended, because it was covered by time-bound funding that had already been extended once. The relationship between the refugees and local communities has not deteriorated since RAARP ended. Some bilateral contributions have been secured directly from donors by UNHCR's implementing partners LWF, CARITAS and the Nepal Red Cross Society (NRCS); reduced RAARP-type activities have continued. Local people are accessing services and programmes offered to refugees, such as vocational training, home gardening and medical services.

⇒ *Environmental Concerns and Corrective Measures*

35. Measures are in place to minimize the negative environmental impact of the presence of the refugees.
36. Solid-waste management and vector-control activities exist in the camps, supplementing the construction and maintenance of family latrines. The deep groundwater pumping system is regularly maintained, preventing depletion of shallow groundwater used by surrounding communities.
37. Regular distribution of kerosene and replacement of cooking stoves reduce the use of wood fuel, so fuelwood does not have to be collected in nearby forests. Local construction materials for shelter maintenance are provided; forest encroachment, which concerned local communities, has been minimized.
38. WFP sells empty food bags and vegetable-oil tins to generate income to support supplementary activities in the camps. The containers are not distributed in the camps, so there is no environmental impact from discarded containers.

⇒ *Education*

39. Education continues to be a major activity: over 80 percent of the camp population are literate, compared with 15–20 percent in the early years of the operation. Almost 100 percent of young people are literate.
40. In May 2002, 40,944 pupils were enrolled in camp-based primary and secondary schools managed by CARITAS Nepal; 52 percent are boys and 48 percent are girls.
41. The camp education system uses a combination of Bhutanese and Nepalese curricula. Courses are taught in English.

⇒ *Coordination Mechanisms*

42. The Ministry of Home Affairs is the main government counterpart for assistance to refugees, responsible for maintaining inter-agency and interministerial coordination through its National Unit for the Coordination of Refugee Affairs at the central level and RCU at the district level. The Ministry of Foreign Affairs is responsible for coordinating policy, including repatriation.
43. Monthly inter-agency coordination meetings of all partners and the RCU are held in Jhapa. Periodic sector meetings take place in the camps, focusing on social services, logistics, infrastructure, health and nutrition.
44. Coordination meetings of district authorities, aid agencies and camp representatives are conducted every two months to address issues of immediate concern to the refugees. Meetings between agencies and relevant authorities are held in Kathmandu as required.



Government Recovery Policies and Programmes

45. The Government has from the outset supported WFP and UNHCR supplementary programmes and activities to improve refugees' living conditions. The Government does not allow refugees to seek employment or business opportunities outside the camps. Some refugees enter the local labour market informally, however, at rates considerably less than local community members.
46. Since the 1996–1997 phase of the operation, the Government has contributed US\$100,000 to WFP annually to purchase food, and routinely grants tax and duty exemptions for locally purchased and imported food. This is a significant financial commitment, given the Government's urgent priorities and the least-developed status of the country.

Rationale

47. Nepal cannot support the Bhutanese refugee population independently.
48. WFP is responsible for mobilizing cereals, edible oils and fats, pulses and other sources of protein, blended foods, salt, sugar and high-energy biscuits for feeding programmes. UNHCR is responsible for mobilizing fresh food, spices, tea, dried and therapeutic milk, fuel and non-food items.
49. Government policy against involving refugees in the local economy means that refugees are heavily dependent on food aid and other assistance. Possibilities for supplementing basic rations provided by WFP, UNHCR and other agencies are thus limited.

RECOVERY STRATEGY

Beneficiary Needs: Food Aid Requirements

50. The 2002 mission recommended maintaining the daily per capita rations as in Table 1. General distribution is planned for 103,850 refugees, supplementary feeding of vulnerable groups for 3,500 beneficiaries and school-based supplementary feeding for about 42,000 students for 78 school days between January and May, the dry season.

TABLE 1: BREAKDOWN OF DAILY FOOD RATIONS (g)

| Commodity | General ration | Health centre supplementary ration | School supplementary ration |
|-----------------------------------|----------------|------------------------------------|-----------------------------|
| Rice (parboiled) | 410 | – | – |
| Pulses | 60 | – | – |
| Vegetable oil | 25 | 10 | – |
| Wheat/corn-soya blend (fortified) | – | 80 | 25 |
| Sugar | 20 | 15 | 7 |
| Salt (iodized) | 7.5 | – | – |
| Fresh vegetables (UNHCR supplied) | 100 | – | – |
| Dried skim milk (UNHCR supplied) | – | 40* | – |

*DSM provided to 350–400 malnourished children per month out of 3,500 health-based supplementary feeding programme beneficiaries.



51. WFP's basic ration contributes 1,980 kcal per person per day, including 41 g of protein and 27 g of fat, towards the recommended minimum requirement of 2,100 kcal. The balance is made up from UNHCR complementary foods and refugees' limited coping mechanisms.
52. The food requirements for this 12-month PRRO are shown in Table 2. For WFP, total requirements are 20,044 mt of basic and supplementary food commodities.

TABLE 2: TOTAL FOOD REQUIREMENT (mt)

| Commodity | General ration | Health centre supplementary ration | School supplementary ration | Total |
|-----------------------------------|----------------|------------------------------------|-----------------------------|---------------|
| Rice (parboiled) | 15 541 | | | 15 541 |
| Pulses | 2 274 | | | 2 274 |
| Vegetable oil | 947 | 13 | | 960 |
| Wheat/corn-soya blend (fortified) | | 102 | 82 | 184 |
| Sugar | 758 | 19 | 23 | 800 |
| Salt (iodized) | 285 | | | 285 |
| Subtotal | | | | 20 044 |
| Fresh vegetables (UNHCR supplied) | 3 790 | | | 3 790 |
| DSM (UNHCR supplied) | | 6* | | 6 |

*DSM requirement based on a projected 400 malnourished children per month, out of 3,500 projected health-based supplementary feeding beneficiaries.

The Role of Food Aid

53. The principal role of food aid under this PRRO is to help the 103,850 refugees in the camps to meet basic nutritional requirements through a general ration and targeted supplementary feeding programmes. WFP inputs will be complemented by UNHCR food and non-food items.

Programme Approaches

54. In maintaining the refugees' nutritional status, WFP must be flexible in reallocating resources to support refugees repatriated to Bhutan or resettled elsewhere as durable solutions to the refugee problem emerge.
55. As durable solutions are identified, a delivery framework for assistance to the refugees will be developed with UNHCR, implementing partners and government agencies in Nepal and Bhutan. Resources committed to this PRRO may be reallocated to repatriation and resettlement. No additional food resources will be necessary if repatriation packages are required during this phase.

Risk Assessment

56. Since 1999, levels of food and non-food assistance have been at the minimum safe level. There is no evidence of over-nutrition in the camp populations. Reducing the level of food assistance would risk having a negative impact on refugees' nutritional status. Refugee



coping mechanisms are stretched; poor resourcing levels for the PRRO could seriously affect refugees' nutritional status. The Government and local communities cannot substitute WFP food assistance.

57. Further delays by the Governments of Nepal and Bhutan in identifying durable solutions for the refugee caseload could negatively influence continued donor support for this operation.

Objectives and Goals

58. The main objectives are to:

- ensure regular access to a basic food ration for registered refugees;
- contribute to improving the nutrition and health of vulnerable refugees through targeted supplementary feeding programmes; and
- enhance coping mechanisms and skills through income-generating and activities such as vocational training and home gardening.

IMPLEMENTATION PLAN BY COMPONENT

Key Programme Components

⇒ *General Distribution*

59. Plans envisage providing a general ration for 103,850 registered refugees. General distribution of WFP basic food commodities is handled fortnightly by the refugees under the supervision of CMCs and NRCS.

TABLE 3: DAILY GENERAL FOOD RATION

| Commodity | General ration (g) | Kcal |
|----------------------------|--------------------|-------|
| Rice (parboiled) | 410 | 1 476 |
| Pulses (lentils/chickpeas) | 60 | 203 |
| Vegetable oil | 25 | 221 |
| Sugar | 20 | 80 |
| Salt (iodized) | 7.5 | - |

60. Since October 2000, one third of the lentil ration has been replaced by chickpeas, thus improving the nutritional value of the food basket.
61. The WFP general ration is complemented by a ration of fresh vegetables provided by UNHCR. To increase this, WFP launched a home gardening project in April 1999 that provides approximately 100 kg of vegetables annually per household; it supports 80 percent of refugee families.



⇒ **School-Based Supplementary Feeding Programme**

62. Supplementary feeding for schoolchildren, recommended by the 2000 UNHCR/WFP JAM, was introduced in 2001, covering children in CARITAS camp schools from pre-primary to grade 10, excluding play centres, during the dry season.
63. A daily ration of 25 g of fortified wheat/corn-soya blend and 7 g of sugar, equivalent to 120 kcal, is provided in camp schools to improve micronutrient status and tackle seasonal incidence of angular stomatitis.
64. The 2002 mission recommended continuation of school-based supplementary feeding for 42,000 pupils for 2003–2004, based on current enrolment and population-growth figures. UNHCR will continue to support non-food items and kerosene.

⇒ **Health Centre-Based Supplementary Feeding Programme**

65. This covers malnourished children from 1 to 5, expectant and nursing mothers, tuberculosis patients and elderly sick people. A premixed ration of wheat/corn-soya blend, sugar and vegetable oil is distributed weekly as a dry ration. Dried skimmed milk (DSM) provided by UNHCR is added for 300–400 malnourished children per month. Health education is provided during distribution.
66. The ration consists of 10 g of vegetable oil, 80 g of wheat/corn-soya blend and 15 g of sugar; for malnourished children, 40 g of DSM is added. Children between 6 and 12 months receive supplementary food regardless of nutritional status.
67. Malnourished children below 80 percent weight-for-height are referred to mother-and-child-health clinics for enrolment in the supplementary feeding programme; they remain enrolled until they can maintain 85 percent weight-for-height for one month.
68. An average of 3,156 people a month, about 3 percent of the camp population, were assisted in 2001; expectant and nursing mothers represented 80 percent of the caseload and malnourished children 10 percent. During the first half of 2002, average monthly enrolment in the supplementary feeding programme was 3,251.
69. In view of annual population growth of 1.45 percent and to provide a margin of safety, supplementary feeding is planned for 3,500 beneficiaries per month for the 2003–2004 phase.

WFP-Supported Supplementary Activities

70. Since 1994, funds have been generated by selling empty WFP food containers. At 31 August 2002, the balance of generated funds was US\$196,526. In agreement with the Government and UNHCR, WFP has used the funds to help create opportunities for economic self-reliance among women and vulnerable refugees. Continued sales of empty containers will generate funds to help finance these activities; it is not a reliable source, however, because the market is unpredictable.
71. In view of the importance of encouraging refugee self-reliance, the 2002 mission recommended seeking direct funding for these activities so as to reduce dependence on sales of empty containers. Given the importance of continuing the activities and the recommendation to include more local community members, additional funds have been budgeted under other direct operational costs (ODOC). The requested US\$85,000 represents 50 percent of the US\$170,000 required; the remainder can be covered by generated funds.



72. Supplementary activities have expanded in recent years. Beneficiaries participating in income generation, home gardening and vocational training have increased by 40 percent since 1999. Family participation in home gardening and similar initiatives has increased by 70 percent. Generated funds available to support such efforts have decreased from US\$200,000 in both 1996 and 1997 from sales of empty containers to less than US\$60,000 projected for 2002. This results from factors such as a change in community preferences to disposable plastic containers for storing vegetable oil, and difficulty with transport because of security concerns in Nepal.
73. The mission recommended further expansion to include more local community members in vocational training and home gardening. The primary aim is to enhance relationships between refugees and people in surrounding areas, at the same time building capacities in local communities.
74. Supplementary activities supported by these funds are mainly supplementary income-generation, vocational training and home gardening.
75. Supplementary activities can increase household income, employment opportunities and self-esteem. The most vulnerable refugee families, particularly women, are given priority.
76. Camp rules forbid economic activities outside the camps. WFP's agreement with the Government states that supplementary activities must take place in the camps and not influence local markets.
77. By the end of this phase in June 2003, 12,271 families—80 percent of families in the camps—and 2,859 individuals will have benefited from WFP-supported supplementary activities.

⇒ *Supplementary Income-Generating Activities*

78. WFP's main implementing partner for these activities is RWF, a voluntary refugee organization that aims to improve women's social status. Between 2000 and mid-2002, 133 refugees received funding through RWF for activities such as selling vegetables, making doughnuts, preparing spices, making candles, weaving bamboo seats and repairing bicycles and watches.

⇒ *Vocational Training*

79. CARITAS has been implementing vocational training since early 1998; trainees are 75 percent refugees and 25 percent local people. Following recommendations, the proportion of local participants will rise to 50 percent, increasing the number of beneficiaries. School drop-outs from needy families are mainly selected as trainees, based on CARITAS and WFP criteria. There have been four cycles of vocational training, in welding, house-wiring, servicing electronic goods, carpentry, pattern drafting, cosmetics and vehicle mechanics.
80. Collaboration between refugees and local beneficiaries has contributed to mutual understanding and improved relations.
81. In January 2002, a survey of the vocational training programme was conducted by an independent firm. The benefits of the programme were recognized, but the survey noted that the restrictions on economic activities outside the camps made refugees less likely than local people to obtain employment or receive normal wages. Supplementary activities can increase household incomes, but more importantly they enhance refugees' self-esteem, mental health and well-being and will increase employment opportunities when the population returns to non-refugee status.



82. The current cycle has 234 trainees. Women's participation has varied from 24 percent to 35 percent. Efforts are being made to attract women to non-traditional careers such as welding and to include more courses that appeal to women. The budget for the third phase is almost double the amount spent during the first cycle; the number of participants has increased by 20 percent.
83. A gender breakdown shows that over 50 percent of individual beneficiaries since 1994 have been women. Depending on the activity, women's participation has varied between 24 percent and 100 percent.

⇒ **Home Gardening**

84. A home gardening project was launched in 1999 to enable households to improve access to foods rich in micronutrients by growing vegetables. The 2002 AMDA Annual Nutrition Survey indicated slightly lower rates of malnutrition and angular stomatitis among children in families with home gardens.
85. Participants are selected from the most vulnerable families, user-groups are formed and training in growing all-year vegetables and fruit is provided. Composting, pest management and nutritional workshops are included.
86. By the end of 2001, 12,271 families will have benefited from home gardening, 80 percent of families in the camps.
87. Home gardening is an appropriate way to increase the availability of varied food. Varieties distributed are mainly green leafy vegetables with high vitamin concentration. Cuttings and seeds are provided from camp-based nurseries.
88. Household yields provide 100–150 kg of additional vegetables per family per year. The land available for refugees to grow food is limited, however.

Beneficiaries

89. This phase covers an estimated 103,850 registered Bhutanese refugees, based on 101,617 refugees registered in June 2002 and annual growth of 1.45 percent. The gender ratio—51 percent men and 49 percent women—is the same as 2001; the rate of growth is significantly lower than the 2.4 percent for Nepal and 2.6 percent for Bhutan, reflecting the success of family planning in the camps. Average family size is six people; 41 percent of the population is under 17.
90. As durable solutions are found, refugees will continue to receive appropriate food assistance until they are settled. It is therefore unlikely that the caseload will be reduced significantly during this phase.

Selection of Activities

91. The limited range of activities under this PRRO is designed to maintain acceptable nutritional status among refugees through a general and a supplementary ration. School-based supplementary feeding is designed to avoid micronutrient deficiencies during the dry season, when access to fruits and vegetables is limited. The supplementary ration for beneficiaries selected through the camp healthcare system targets malnourished people or those with increased nutritional requirements.
92. Supplementary activities funded by sales of empty containers are selected to promote self-reliance, generate income and improve refugees' skills in preparation for the future.



Activity Approval Mechanism

93. The general and supplementary feeding activities are recommended on the basis of the 2002 mission and approved through standard WFP procedures.
94. Supplementary activities funded by sales of empty containers or direct funding are proposed by the refugees and approved by WFP, with clearance from CMCs and Nepalese district authorities.

Institutional Arrangements and Selection of Partners

- WFP and UNHCR fund four non-governmental organizations (NGOs) to conduct food distribution and sectoral activities in the camps.
- NRCS manages distribution of food and non-food items and operates ambulance and fire-fighting services.
- Basic promotion, preventive and curative health services are provided by AMDA, which ensures regular monitoring and reporting of refugees' health. AMDA manages the primary referral hospital and provides emergency services for refugees and local people.
- LWF maintains refugee dwellings and camp infrastructure and manages camp sanitation and vector control with a team of refugee workers.
- CARITAS provides education in the camps, from pre-primary to class 10, a disability programme and play centres.
- CARITAS, NRCS and LWF are implementing partners for WFP-supported supplementary activities.

Capacity-Building

95. The cost-effectiveness and efficiency of this operation is largely a result of its participatory focus and close collaboration between United Nations agencies and NGO partners; refugees are involved in all camp activities; the camp management structure is well established.
96. RWF, for example, established in the early 1990s, has evolved into a voluntary organization with more than 2,000 members who have been instrumental in addressing women's needs through gender sensitization, literacy and skills training, income-generation and promotion of women's participation in management.
97. The high degree of organization and the educational levels reached by many refugees, especially the younger generations, will help them to organize their social and economic lives once they leave the camps.

Logistics Arrangements

⇒ *Food Resourcing and Delivery*

98. Since 1992, most of the food has been procured locally or regionally by WFP. Local purchases allow prompt, regular delivery and benefit local production and trade.
99. Local procurement minimizes transport costs. The cost of locally procured commodities includes transport to the extended delivery points in the camps; in-kind contributions arrive at Calcutta, the main entry point for eastern Nepal, and bear external and overland transport costs.



100. Depending on the availability of cash contributions, local procurement will continue to be given priority because it is more efficient, provided local markets can provide the required quantities and quality.
101. In-kind contributions may be required as a result of cash constraints; plans are in place to receive commodities through Calcutta if necessary.
102. Suppliers deliver commodities direct to NRCS warehouses in the camps. NRCS takes over storage and handling and oversees distribution.

⇒ *Camp-Level Distribution*

103. The 2002 mission noted that food delivery and final distribution for general and targeted feeding continue to be managed efficiently. Adequate accounting, recording and reporting systems are maintained by implementing NGOs.
104. Each camp is composed of sectors, from 4 in small camps to 12 in large camps, divided into subsectors of 80 to 110 families, or 500 people. Each sector and subsector has representatives supervised by CMCs. A subsector is a distribution unit for food and non-food assistance. Subsector heads and their assistants are elected under the supervision of RCU/Ministry of Home Affairs camp officials. They are responsible for distribution of food and non-food rations to families in their subsectors.
105. A ration-collection survey was conducted in July and August 2002 in all seven camps, involving 2,508 families representing 16,529 refugees, to determine which family member usually collects rations. In 51 percent of cases, women collected rations; in 48 percent of cases, women helped to unload food, transfer it to distribution centres and distribute it.
106. For the supplementary feeding programme, premixed rations of sugar and vegetable oil are prepared by AMDA in camp health centres and distributed as a dry take-home ration. For the school-based supplementary feeding programme, a drink of wheat/corn-soya blend and sugar is distributed.

Monitoring and Evaluation

107. Supply of commodities to the camps is controlled through WFP's procurement and logistics system. Delivery is monitored by WFP-appointed superintendents, NRCS, WFP field staff and refugees.
108. For food and non-food deliveries, NRCS issues a monthly situation report detailing the number of assisted refugees, food and non-food distribution and shortfalls and stock balances in each warehouse.
109. Food-basket monitoring of the general food ration and fresh vegetables started in all camps in February 2000, to ensure that food distribution was fair and transparent and met reasonable levels of accountability.
110. Monitoring is carried out by food-basket monitors supervised by an AMDA nutrition monitor and NRCS. One family per subsector is monitored at each distribution. The mission recommended increasing the number of families monitored to three per subsector in order to confirm results by increasing the sample.
111. AMDA prepares a monthly health-and-nutrition situation report on morbidity and mortality rates, nutrition of children under 5, use of family-planning services and supplementary food distribution. An annual nutrition survey of children under 5 is conducted, based on a sample from all camps.



112. Detailed data on camp populations is available on a gender-disaggregated basis and regularly updated by UNHCR.
113. Annex III lists the performance indicators regularly monitored for each of the project objectives.

Security Measures

114. The RCU, chaired by the chief district officer of Jhapa, is responsible for camp administration, law and order, posting camp supervisors and police units and, in liaison with UNHCR, registration and screening of new arrivals.
115. Monthly security meetings are held between the Jhapa chief district officer, UNHCR and WFP to prepare for potential security threats related to the Maoist insurgency. CMC members are consulted regularly. All parties are in regular radio and telephone contact.

Exit Strategy

116. Eleven rounds of talks were held between the Nepalese and Bhutanese Governments between 1992 and 2001 in the framework of the Joint Ministerial-Level Committee. Solving the refugee crisis is currently a bilateral process, with an understanding that UNHCR will act as a technical and advisory facilitator. Prospects for a solution are limited in the current political climate.
117. WFP regularly meets with the Government, UNHCR and donors to advocate durable solutions.

Contingency Mechanism

118. During this phase, depending on political progress, repatriation and resettlement plans may be formulated, including arrangements for the reception and reintegration of returning refugees and plans for refugees not accepted for repatriation. WFP country offices in Bhutan and Nepal, in coordination with UNHCR, will prepare contingency plans to provide food assistance to returnees as required. Given the current political situation, WFP has no evidence that repatriation or resettlement will take place soon.
119. In the event of resettlement or reintegration, food resources committed to this PRRO would be reallocated to assist refugees in their new situation. Delivery will be developed with UNHCR, once the numbers of refugees returning to Bhutan and those to be resettled elsewhere are known and the time frame is clarified.

BUDGET PROPOSAL AND INPUT REQUIREMENTS

120. To ensure that the operation is as cost-effective as possible, WFP purchases commodities through local suppliers, resources permitting. This is more cost-effective than in-kind contributions. Local purchase supports the local economy and is more flexible in terms of supply and management.

RECOMMENDATION OF THE EXECUTIVE DIRECTOR

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



ANNEX I

PROJECT COST BREAKDOWN

| | Quantity (tons) | Average cost per ton | Value (dollars) |
|----------------------------------------------------------------------|--------------------|-------------------------|--------------------|
| WFP COSTS | | | |
| A. Direct operational costs | | | |
| Commodity ¹ | | | |
| – Rice | 15 541 | 226.39 | 3 518 32 |
| – Pulses | 2 274 | 441.60 | 1 004 19 |
| – Vegetable oil | 960 | 680.20 | 652 99 |
| – WSB (blended food) | 184 | 370.00 | 68 08 |
| – Sugar | 800 | 360.00 | 288 00 |
| – Iodized salt | 285 | 90.00 | 25 65 |
| Total commodities | 20 044 | | 5 557 24 |
| External transport | | 27.17 | 544 64 |
| Landside transport | | | 981 755 |
| Subtotal for ITSH | | | 200 841 |
| Total LTSH | | 59.00 | 1 182 596 |
| Other direct operational costs | | | 85 000 |
| Total direct operational costs | | | 7 369 485 |
| B. Direct support costs (see Annex II for details) | | | |
| Total direct support costs | | 32.27 | 646 800 |
| C. Indirect support costs (7.8 percent of total direct costs) | | | |
| | | | 625 270 |
| TOTAL WFP COSTS | | | 8 641 556 |

¹ This is a notional food basket used for budgeting and approval purposes. The mix and quantities of commodities, as in all WFP-assisted projects, may vary depending on availability.



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

| | |
|----------------------------------|---------|
| International Professional staff | 225 300 |
| National Professional Officers | 16 000 |
| National General Service staff | 150 000 |
| Temporary assistance | 0 |
| Overtime | 0 |
| International consultants | 25 000 |
| UNVs (National) | 10 000 |
| Staff duty travel | 40 000 |
| Staff training and development | 8 000 |

| | |
|-----------------|----------------|
| Subtotal | 474 300 |
|-----------------|----------------|

Office expenses and other recurrent costs

| | |
|--------------------------------------|--------|
| Rental of facility | 4 000 |
| Utilities (general) | 8 000 |
| Office supplies | 14 000 |
| Communication and IT services | 30 000 |
| Insurance | 3 000 |
| Equipment repair and maintenance | 6 000 |
| Vehicle maintenance and running cost | 25 000 |
| Other office expenses | 10 000 |

| | |
|-----------------|----------------|
| Subtotal | 100 000 |
|-----------------|----------------|

Equipment and other fixed costs

| | |
|--------------------------------|--------|
| Furniture, tools and equipment | 5 000 |
| Vehicles | 32 000 |
| TC/IT equipment | 35 500 |

| | |
|-----------------|---------------|
| Subtotal | 72 500 |
|-----------------|---------------|

| | |
|-----------------------------------|----------------|
| TOTAL DIRECT SUPPORT COSTS | 646 800 |
|-----------------------------------|----------------|



ANNEX III

| |
|---------------------------------------------------|
| PRRO NEPAL 10058.2: PERFORMANCE INDICATORS |
|---------------------------------------------------|

| Objective | Main indicators | Reporting |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------|
| Ensure regular access to a basic ration for all registered refugees | Fortnightly camp-wise number of individual rations collected (basic ration) | WFP monthly Food Availability Status Report (FASREP) |
| | Fortnightly quantity of basic food commodities distributed per camp | WFP fortnightly Situation Report (SITREP) |
| | Weekly quantity of fresh vegetables distributed per camp | NRCS monthly SITREP |
| | | Monthly Food Basket Monitoring Report |
| | Ration size | |
| | Balance stocks of food commodities | |
| | Balance stocks of empty containers (for auction) | |
| | Quantities of food and non-food commodities delivered to the camps (UNHCR) | |
| | Post-c.i.f. losses | |
| | | |
| Contribute towards improving the nutritional and health status of the most vulnerable through targeted supplementary feeding programmes | Maternal mortality rate | Monthly Health and Nutrition Situation Report, AMDA |
| | Under-5 malnutrition rate | Annual Nutrition Survey Report, AMDA |
| | Under-5 mortality rate | Ad hoc surveys and studies |
| | Infant mortality rate | |
| | Crude death rate | |
| | Crude birth rate | |
| | Diseases incidence rates | |
| | Number and category of beneficiaries in SFP | WFP monthly FASREP |
| | Fortnightly camp-wise number of food-receiving refugees (SFP) | WFP fortnightly SITREP |
| | Fortnightly quantity of SFP food commodities distributed per camp | NRCS monthly SITREP |

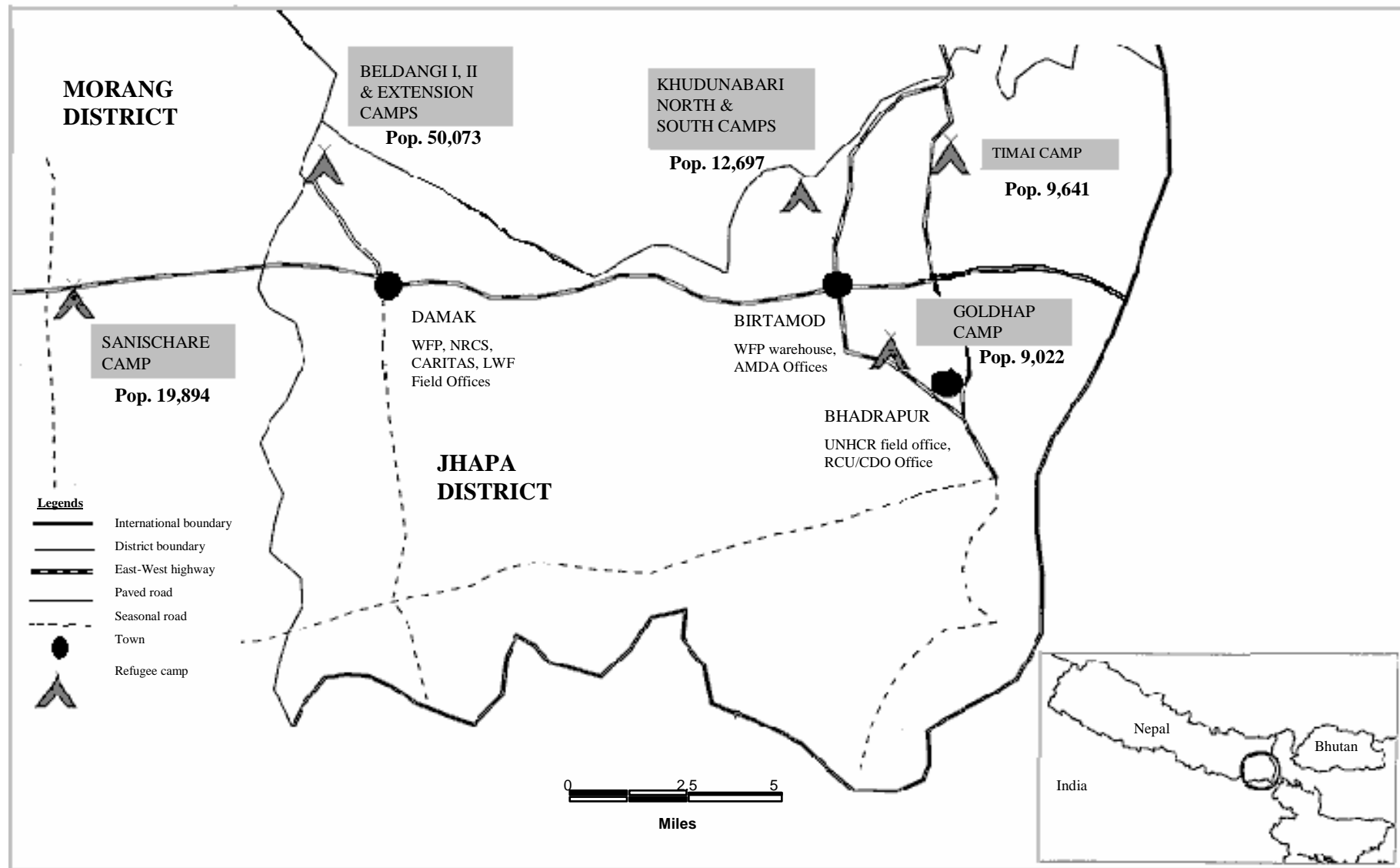


| |
|---------------------------------------------------|
| PRRO NEPAL 10058.2: PERFORMANCE INDICATORS |
|---------------------------------------------------|

| Objective | Main indicators | Reporting |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------|
| Strengthen coping mechanisms and enhance skills through income-generating and other supplementary activities | Number of total beneficiaries for supplementary income-generating activities (SIGAs) | RWF monthly feedback forms RWF Project Completion Report |
| | Number of beneficiaries by gender for SIGAs | |
| | Skills acquired post-SIGA participation | |
| | Income earned post-SIGA participation | |
| | Vocational training (VT) completion rate | CARITAS monthly feedback forms |
| | VT completion rate by gender | CARITAS Mid-term Progress Report |
| | Skills acquired post-VT participation | CARITAS Project Completion Report |
| | Number of total beneficiaries for home gardening project (HGP) | NRCS/LWF monthly feedback forms |
| | Household yields for HGP | NRCS/LWF Seasonal Monitoring Reports |
| | Types of vegetable varieties cultivated during participation in HGP | NRCS/LWF Mid-term Progress Report NRCS/LWF Final Report |



PRRO 10058.2---Food Assistance to Bhutanese Refugees in Nepal
LOCATION OF REFUGEE CAMPS IN JHAPA AND MORANG DISTRICTS IN EASTERN NEPAL
REGISTERED POPULATION AS OF MAY 2002: 101,327



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

| | |
|--------|-------------------------------------------------------------|
| AMDA | Association of Medical Doctors of Asia |
| AS | angular stomatitis |
| BHA | Bhutanese Health Association |
| BRAVVE | Bhutanese Refugees Aiding Victims of Violence |
| CDO | Chief District Officer |
| CMC | camp management committee |
| DSM | dried skim milk |
| HGP | home gardening project |
| ICIMOD | International Centre on Integrated Mountain Development |
| JAM | joint assessment mission |
| JVT | Joint verification team |
| LWF | Lutheran World Federation |
| NGO | non-governmental organization |
| NRCS | Nepal Red Cross Society |
| PRRO | protracted relief and recovery operation |
| RAARP | Refugee-Affected Areas Rehabilitation Programme |
| RCU | refugee coordination unit |
| RWF | Refugee Women's Forum |
| SIGA | supplementary income-generating activity |
| SNV | Netherlands Development Organization |
| UNDP | United Nations Development Programme |
| UNHCR | Office of the United Nations High Commissioner for Refugees |
| VT | vocational training |

