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Agenda Item 8

WFP/EB.2/2016/8-A/2

Projects for Executive Board Approval

For approval

Executive Board documents are available on WFP's Website (<http://executiveboard.wfp.org>).

Budget Increases to Development Activities — Country Programme Malawi 200287

Cost (United States dollars)			
	Current budget	Increase	Revised budget
Food and related costs	88 621 572	59 930 018	148 551 590
Cash-based transfers and related costs	4 449 457	5 793 934	10 243 392
Capacity development and augmentation	3 304 362	-	1 304 162
Total cost to WFP	122 474 646	77 782 836	200 257 482

* <https://www.humanitarianresponse.info/system/files/documents/files/gm-overview-en.pdf>.

Draft decision*

The Board approves the proposed budget increase of USD 77.8 million for Malawi country programme 200287, with a 24-month extension from 1 January 2017 to 31 December 2018 (WFP/EB.2/2016/8-A/2).

* 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.

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Nature of the Increase

1. This sixth budget revision extends country programme 200287 by 24 months, until 31 December 2018 to align with the next United Nations Development Assistance Framework (UNDAF) and the Malawi Growth and Development Strategy III, which will take effect from 2019.
2. WFP will continue to provide school meals to pre-primary¹ and primary school children in chronically food-insecure districts with the lowest enrolment and highest drop-out rates and the widest gender disparity indicators. Some pre-primary schools will be gradually handed over to the Government, and home-grown school feeding (HGSF) will be expanded to reach 164,387 primary school children in 89 schools. The provision of take-home rations (THRs) will continue in some districts and be scaled up in drought-affected areas.
3. In response to the increasing numbers of malnourished children and adults, WFP will scale up treatment of moderate acute malnutrition (MAM) for tuberculosis (TB) patients and people receiving anti-retroviral therapy (ART). In light of El Niño-exacerbated food insecurity, WFP will treat severe acute malnutrition (SAM) among ART/TB patients. Micronutrient powders for children aged 6–23 months will be introduced to address micronutrient deficiencies in six districts.
4. Capacity-development activities with the Department of Disaster Management Affairs and the Ministry of Agriculture and Food Security will continue, unchanged.
5. The changes will result in an increase of USD 77.8 million to the overall budget of the operation.

Justification for Extension in Time and Budget Increase

Summary of Existing Project Activities

6. WFP has implemented country programme 200287 since January 2012 to: i) strengthen national capacities to improve primary education outcomes; ii) reduce malnutrition among vulnerable groups; and iii) increase food security nationally while building resilience to shocks at the household and community levels. The programme contributes to WFP Strategic Objectives 2, 3 and 4, Sustainable Development Goals 2, 5 and 17, and UNDAF outcomes.
7. Gender equality in Malawi is challenged by high levels of child marriage and women's lack of land rights and of access to justice or protection against sexual and other forms of gender-based violence. To address these issues, the country office works in partnership with UN-Women, the United Nations Population Fund and the United Nations Children's Fund (UNICEF) to ensure that men, women, boys and girls benefit equally from activities and are aware of gender issues and to mitigate gender-based violence.

Component one: Support to education

8. WFP provides primary schools with food for school meals and/or cash-based transfers (CBTs) to procure local produce through the HGSF model. HGSF promotes food diversification while supporting smallholder farmers by increasing their incomes and improving their access to markets.

Component two: Nutrition support

9. WFP's MAM treatment programme targets children aged 6 months to 12 years and pregnant and lactating women (PLW) at approximately 85 percent of government health facilities.² The programme is in line with the national community-based management of acute malnutrition (CMAM) approach and the National Nutrition Policy.
10. WFP treats MAM among people living with HIV/AIDS and TB patients in areas with high levels of food insecurity and HIV prevalence. Lessons from a stunting prevention pilot implemented through a separate trust fund will inform social behaviour change communication and

¹ Children aged 3–5 years.

² Other beneficiaries are supported by non-governmental organizations (NGOs) and partners.

nutrition-sensitive activities such as integrated homestead farming and small livestock promotion.

Component three: Disaster risk reduction

11. This component aims to strengthen resilience and sustained food security through increased government investment in disaster preparedness, prevention and mitigation. WFP supports capacity development of government and non-governmental organization (NGO) partners in the design and implementation of emergency preparedness and response, broader social protection and disaster risk reduction.

Conclusion and Recommendations of the Reassessment

12. The 2016 Malawi Vulnerability Assessment Committee (MVAC) Assessment³ estimates that 6.5 million people will be at risk of food and nutrition insecurity between July 2016 and March 2017 as a result of the impacts of El Niño. Women are particularly vulnerable to food insecurity and undernutrition owing to their higher levels of poverty, poor access to land and limited opportunities for income generation.
13. Stunting prevalence remains 42 percent, having decreased only marginally from 47 percent in 2010.⁴ Wasting prevalence is 3.8 percent at the national level, with higher rates in the south of the country.⁵ Micronutrient deficiencies are also common: anaemia affects six out of ten children under 5 years of age and one in three women.⁶ Only 15 percent of children under 5 consume a minimum acceptable diet, and 27 percent have a minimum diverse diet.⁴
14. Recent field monitoring indicates increasing numbers of malnourished children and adults, especially people living with HIV. According to data from 25 drought-affected districts, MAM and SAM cases among children tripled from January to April 2016, with increases of 116 percent for MAM admissions and 34 percent for SAM compared with the same period in 2015.⁷ Admissions of adolescents and adults also increased, especially among adults on ART, by 85 percent for SAM and 61 percent for MAM.⁸ Admissions for moderate malnutrition among patients on ART increased by 20 percent between May and June.⁹
15. A World Bank-funded post-disaster needs assessment estimated that food and nutrition insecurity affects 82 percent of primary school children, leading to decreased enrolment and increased drop-out rates and absenteeism, with girls worse affected.

Purpose of Extension and Budget Increase

16. WFP will conduct an independent strategic review of food and nutrition security to inform the design of a new framework for its strategic engagement in Malawi.
17. A 2014 mid-term evaluation concluded that WFP needs to design a comprehensive capacity development strategy for Malawi. WFP will conduct a systematic assessment of capacity-development needs and reassess coverage, plans and hand-over targets for school feeding and nutrition activities to take account of contextual challenges.
18. WFP will continue to provide school meals to primary school children in 13 chronically food-insecure districts. Based on current and anticipated beneficiary numbers, WFP will support up to 1.1 million schoolchildren over the next two years. The scaling up of HGSE will continue

³ MVAC Assessment, July 2016.

⁴ National Statistical Office. 2015. Malawi MDG Endline Survey 2014. Zomba, Malawi.

⁵ SMART Survey, 2016.

⁶ National Statistical Office and ICF International. 2016. Malawi Demographic and Health Survey 2015–16: Key Indicators Report. Zomba, Malawi, and Rockville, Maryland, USA.

⁷ Ministry of Health CMAM database.

⁸ Malawi mVAM bulletin no. 5, May 2016.

⁹ Malawi mVAM bulletin no. 7, July 2016.

- in four districts,¹⁰ reaching a total of 164,387 primary school children. Support to early childhood development will continue in two districts, with gradual hand-over to the Government.
19. Hunger, poverty and cultural practices prevent girls and orphan boys from attending school. In the lean season, boys may engage in casual work and girls may adopt negative coping mechanisms. Men will be encouraged to participate in school feeding to reduce the labour burden on women. Women are awarded certificates for the voluntary services they provide.
 20. According to market assessment findings,³ markets are expected to be able to support the use of CBTs in selected districts. THR will be provided through cash transfers in four districts throughout the school year, to all girls and orphan boys with 80 percent school attendance.
 21. An additional 110,000 primary school children in four of the most chronically food-insecure districts¹¹ with poor education indicators will be provided with a THR of SuperCereal for breakfast during the 2016/2017 lean season. This will encourage school attendance, reduce drop-out rates and provide a safety net during the current drought. While some overlap is expected among beneficiaries receiving THR and those receiving general food distribution under protracted relief and recovery operation 200692, the two interventions serve different objectives.
 22. In line with Malawi's National Nutrition Policy and Strategic Plan, WFP will support the Ministry of Health's introduction of home fortification by providing micronutrient powders to 83,451 children aged 6–23 months in 2017 and 85,609 in 2018. Research in selected districts will inform programme design.
 23. Based on consultations with the Ministry of Health and Food and Nutrition Technical Assistance, and given the high number of SAM cases among adults receiving ART/TB treatment, UNICEF will continue to treat SAM cases among children while WFP treats adults. WFP will procure ready-to-use therapeutic food (RUTF), for distribution by the Ministry of Health. Treatment of SAM in adults is included in the Government's guidelines on nutrition care, support and treatment and is prioritized in the Nutrition Response Plan.¹²
 24. Social behaviour change communication will be an essential component of the home-fortification programme and will promote nutrition and HIV-sensitive programming, targeting men and boys and other caregivers as core actors in addressing gender inequality, malnutrition and HIV/AIDS. Other activities, including integrated homestead farming and small livestock promotion, will reach an estimated 10,000 households in seven districts.
 25. WFP aims to strengthen its partnerships with other United Nations agencies to complement country programme activities and promote a holistic nutrition-sensitive approach. WFP will continue to support smallholder farmers through its Purchase for Progress (P4P) initiative by strengthening linkages between P4P and HGSF.
 26. WFP will continue to support capacity development of government and NGO partners in designing and implementing emergency preparedness and response and in broader social protection and disaster risk management. This will include developing and disseminating tools for the three-pronged approach,¹³ reviewing major policies and strategies, and organizing cross-district learning visits for government staff.
 27. WFP will conduct awareness-raising meetings to inform beneficiaries in surrounding communities about the programme, and focus group discussions to obtain feedback on programme performance.

¹⁰ Owing to resourcing challenges, the scale-up of HGSF as planned in budget revision 5 has yet to be completed.

¹¹ Balaka, Chikwawa, Nsanje and Phalombe.

¹² Nutrition Response Plan: July 2016–March 2017.

¹³ The three-pronged approach is based on integrated context analysis, seasonal livelihood planning and community-based participatory planning.

TABLE 1: BENEFICIARIES BY COMPONENT										
Component	Category of beneficiaries	Current			Increase/decrease			Revised		
		Boys/ men	Girls/ women	Total	Boys/ men	Girls/ women	Total	Boys/ men	Girls/ women	Total
Support to education*	Primary education – food	761 187	760 019	1 521 206	149 307	139 495	288 802	910 494	899 514	1 810 008
	Primary education – THR maize	21 464	104 794	126 258	1 383	6 752	8 135	22 847	111 546	134 393
	Primary education – THR SuperCereal	-	-	-	53 900	56 100	110 000	53 900	56 100	110 000
	Primary education – HGSF CBTs for food procurement	80 549	83 838	164 387	-	-	-	80 549	83 838	164 387
	Primary education – THR CBTs	1 122	5 478	6 600	946	4 619	5 565	2 068	10 097	12 165
	Early childhood development	10 620	11 502	22 122	-1 742	-1 813	-3 555	8 878	9 689	18 567
	Subtotal	852 356	855 359	1 707 715	201 465	193 782	395 247	1 053 821	1 049 141	2 102 962
Nutrition support	Treatment of MAM – children and PLW	255 645	335 859	591 504	144 634	191 724	336 358	339 541	446 145	927 862
	Treatment of MAM – ART/TB patients	7 284	7 892	15 176	79 839	83 097	162 936	59 358	56 729	178 112
	Treatment of SAM – ART/TB patients	-	-	-	22 718	23 645	46 363	20 660	21 503	46 363
	Micronutrient powders	-	-	-	72 352	75 306	147 658	43 661	41 948	147 658
	Subtotal	262 929	343 751	606 680	319 543	373 772	693 315	463 220	566 325	1 299 995
TOTAL	1 115 285	1 199 110	2 314 395	521 008	567 554	1 088 562	1 517 041	1 615 466	3 402 957	

* The subtotal excludes beneficiaries of THR maize and THR cash as they overlap with school feeding and HGSF beneficiaries, respectively.

28. As part of the mobile vulnerability analysis and mapping (mVAM) initiative, WFP will use real-time market monitoring to collect data on market functionality in targeted districts, which will be complemented by data from the National Statistical Office to calculate price and inflation trends and volatility.

TABLE 2: REVISED DAILY FOOD RATION/TRANSFER BY COMPONENT AND ACTIVITY
(g/person/day)

	School feeding			Nutrition			
	In-school meals – early childhood development	In-school meals – primary education	Take-home rations	Treatment of MAM – children and PLW	Treatment of MAM – ART/TB patients	Treatment of SAM – ART/TB patients	Prevention of micronutrient deficiency
Maize	-	-	333	-	-	-	-
SuperCereal	50	100	-	-	300	-	-
Vegetable oil	-	-	-	-	30	-	-
SuperCereal Plus	-	-	-	200	-	-	-
Micronutrient powders	-	-	-	-	-	-	0.5
RUTF	-	-	-	-	-	276	-
Cash/voucher (USD/person/day)	0.13	N/A	4.2	N/A	N/A	N/A	N/A
TOTAL	USD 50	100 g	USD 333	200 g	USD 330	276 g	0.5
Total kcal/day	188	376	1 166	820	1 466	1 501	-
% kcal from protein	16.3	16.3	11.4	16.2	14.7	10.8	-
% kcal from fat	19.2	19.2	10.3	22.8	29.5	51.6	-
Number of feeding days	208/year	208/year	30/month for 4 months	30/month for maximum 4 months	30/month for maximum 4 months	30/month for maximum 2 months	30/month

Food Requirements

29. Food requirements will increase by 60,025 mt. Micronutrient powders and SuperCereal Plus will be procured internationally. WFP will explore the options for procuring RUTF regionally or locally through UNICEF and certified suppliers. SuperCereal will be purchased regionally through the Global Commodity Management Facility (GCMF).

TABLE 3: FOOD REQUIREMENT BY ACTIVITY

Activity	Food requirement (mt)		
	Current	Increase	Revised
School feeding	81 183	44 578	125 761
Nutrition support	22 779	15 447	38 226
Disaster risk reduction	15 423	-	15 423
Total food requirements	119 385	60 025	179 410
Total CBTs (USD)	4 148 911	5 264 459	9 413 370

Hazard/Risk Assessment and Preparedness Planning

30. In addition to the risk of inadequate government capacity to take over school-feeding and nutrition activities, two risks have been identified
- Inadequate funding due to competing emergency priorities in the country. The country office will seek to mobilize additional funding, highlighting resourcing shortfalls and implications for longer-term development.
 - Pipeline breaks due to funding constraints and delayed food deliveries. Forward planning and prioritization of local and regional purchases will be undertaken, leveraging the GCMF.

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
Food			
Cereals	6 105	1 703 397	
Oil and fats	455	373 686	
Mixed and blended food	53 435	39 589 305	
Others	30	538 611	
Total food	60 025	42 205 000	
External transport		4 897 480	
Landside transport, storage and handling		11 006 276	
Other direct operational costs: food		1 821 263	
Food and related costs¹		59 930 018	
Cash-based transfers and related costs		5 793 934	
Direct operational costs			65 723 953
Direct support costs (see Annex I-B) ²			6 970 287
Total direct project costs			72 694 239
Indirect support costs (7.0 percent) ³			5 088 597
TOTAL WFP COSTS			77 782 836

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

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

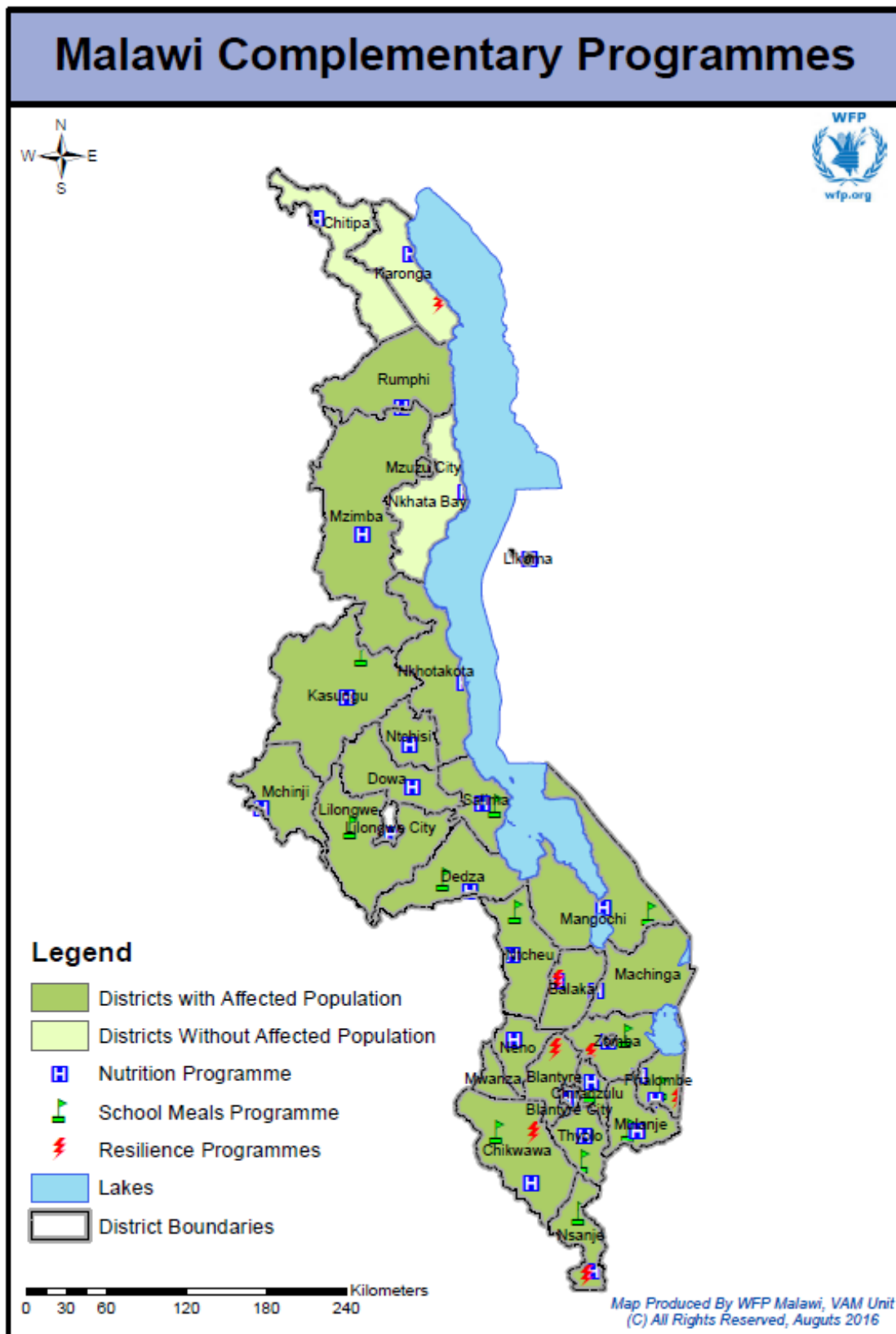
³ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (USD)	
Staff and staff-related	
Professional staff	1 474 434
General service staff	1 081 853
Subtotal	2 556 287
Recurring and other	2 190 000
Capital equipment	120 000
Security	240 000
Travel and transportation	1 354 000
Assessments, evaluations and monitoring¹	510 000
TOTAL DIRECT SUPPORT COSTS	6 970 287

¹ Reflects estimated costs when these activities are carried out by third parties.

ANNEX II



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

ART	anti-retroviral therapy
CBT	cash-based transfer
CMAM	community-based management of acute malnutrition
GCMF	Global Commodity Management Facility
HGSF	home-grown school feeding
MAM	moderate acute malnutrition
MVAC	Malawi Vulnerability Assessment Committee
mVAM	mobile vulnerability analysis and mapping
NGO	non-governmental organization
PLW	pregnant and lactating women
P4P	Purchase for Progress
RUTF	ready-to-use therapeutic food
SAM	severe acute malnutrition
THR	take-home ration
TB	tuberculosis
UNDAF	United Nations Development Assistance Framework
UNICEF	United Nations Children's Fund