



World Food Programme

PROJECT BUDGET REVISION FOR APPROVAL BY THE REGIONAL DIRECTOR

5) To:	Initials	In Date	Out Date	Reason for Delay
Regional Director				
4) Through:	Initials	In Date	Out Date	Reason for Delay
Programme Adviser, RB				
3) Through:	Initials	In Date	Out Date	Reason for Delay
Logistic Officer, RB (change in LTSH and/or External Transport)				
2) Through:	Initials	In Date	Out Date	Reason for Delay
Resource Management Analyst, RB				
1) From:	Initials	In Date	Out Date	Reason for Delay
Country Office				

**Ethiopia¹ & PRRO 200700
BR No. 03**

Total revised number of beneficiaries	650,000
Duration of entire project	36 months
Extension / Reduction period	n.a.
Gender marker code	n.a.
WFP food tonnage	534,063

Start date: 01.Apr.2015 **End date:** 31.Mar.2018 **Extension/Reduction period:** n.a. **New end date:** 31.Mar.2018

Cost (United States dollars)

	Current Budget	Increase (Decrease)	Revised Budget
Food and Related Costs	US\$ 384,541,934	US\$ (1,231,578)	US\$ 383,310,357
Cash and Vouchers and Related Costs	US\$ 11,600,440	US\$ -	US\$ 11,600,440
Capacity Development & Augmentation	US\$ 8,265,549	US\$ -	US\$ 8,265,549
DSC	US\$ 52,236,688	US\$ -	US\$ 52,236,688
ISC	US\$ 31,965,123	US\$ (86,210)	US\$ 31,878,912
Total cost to WFP	US\$ 488,609,734	US\$ (1,317,788)	US\$ 487,291,946

CHANGES TO:

Food Tool

- MT
 Commodity Value
 External Transport
 LTSH
 ODOC

C&V Tool

- C&V Transfers
 C&V Related Costs

- CD&A
 DSC
 Project duration
 Other

Project Rates

- LTSH (\$/MT)
 ODOC (\$/MT)
 C&V Related (%)
 DSC (%)

¹ If a regional project, please specify the countries concerned.



NATURE OF THE INCREASE

1. ***Change in LTSH rate from \$199.13/mt to \$196.25/mt which has resulted in a total budget reduction of \$1,317,788, ISC inclusive.***

JUSTIFICATION FOR THE REVISION

2. ***The LTSH matrix is revised to incorporate \$3/MT LESS investment as well as update the overall cost component. The following are the main assumptions;***

- a) Most of the bulk cargo is from the US (In-kind)
- b) All costs at port and transshipment points are shared among CO active projects and hence this project's share is 20% based on the projected tonnage.
- c) The FLA rate for distribution cost has reduced by 18%
- d) WFP Ethiopia is planning to construct a 3,000 MT capacity warehouse in Gambella since there are no commercial warehouses available. This will enable WFP to better cater for the throughput expected to be handled through Gambella and also addresses current, seasonal logistic bottlenecks in getting timely delivery to the refugee camps. This warehouse is intended to be used both for refugee project operation inside Ethiopia as well as for the transshipment operation to South Sudan. The total tonnage being handled through Gambella amounts to 10% and 90% between Ethiopia and South Sudan projects respectively. The total budget for Gambella warehouse construction is estimated at \$1,301,047. Hence \$1.83/mt is incorporated in the LTSH rate estimate with the assumption that 55% of the total cost will be resourced throughout the project life. The remaining 45% construction cost is already covered through the South Sudan project based on the agreement made between the two COs in January 2015. This investment will sensibly improve the operational activities which are now being hampered by a limited storage capacity for both the South Sudan operations and for the prepositioning of food destined to the refugee caseload around Gambella.

3. ***Hence, this budget revision has resulted in a total budget reduction of \$1,317,788, i.e. a decrease of US\$ \$1,231,578 in LTSH and US\$ \$86,210 in ISC budgets. The CO has obtained approval of the revised LTSH matrix from ODLT.***

Drafted by: [Mensur OMER] Country Office
 Cleared by: [Belkacem MACHANE] Country Office on [August 13, 2015]
 Reviewed by: [name] Regional Bureau
 Cleared by: [name] Regional Bureau on [date]

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>			
Cereals	-	-	
Pulses	-	-	
Oil and fats	-	-	
Mixed and blended food	-	-	
Others	-	-	
Total Food Transfers	-	-	
External Transport		-	
LTSH		(1,231,578)	
ODOC Food		-	
Food and Related Costs ²		(1,231,578)	
C&V Transfers		-	
C&V Related costs		-	
Cash and Vouchers and Related Costs		-	
Capacity Development & Augmentation		-	
<i>Direct Operational Costs</i>			(1,231,578)
Direct support costs (see Annex I-B)			-
Total Direct Project Costs			(1,231,578)
Indirect support costs (7.0 percent) ³			(86,210)
TOTAL WFP COSTS			(1,317,788)

² This is a notional food basket for budgeting and approval. The contents may vary.

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

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
WFP Staff and Staff-Related	
Professional staff *	-
General service staff **	-
Danger pay and local allowances	-
Subtotal	-
Recurring and Other	-
Capital Equipment	-
Security	-
Travel and transportation	-
Assessments, Evaluations and Monitoring⁴	-
TOTAL DIRECT SUPPORT COSTS	-

* Costs to be included in this line are under the following cost elements: International Professional Staff (P1 to D2), Local Staff - National Officer, International Consultants, Local Consultants, UNV

** Costs to be included in this line are under the following cost elements: International GS Staff, Local Staff - General Service, Local Staff - Temporary Assist. (SC, SSA, Other), Overtime

⁴ Reflects estimated costs when these activities are performed by third parties. If WFP Country Office staff perform these activities, the costs are included in Staff and Staff Related and Travel and Transportation.