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PROJECTS FOR EXECUTIVE BOARD APPROVAL

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For approval



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PROTRACTED RELIEF AND RECOVERY OPERATION SRI LANKA 10756.0

Food for Peacebuilding and Recovery in Conflict-Affected Areas

Number of beneficiaries	1,175,000
Duration of project	24 months (1 January 2009–31 December 2010)
WFP food tonnage	135,575 mt
Cost (United States dollars)	
WFP food cost	81,782,753
Total cost to WFP	117,821,417

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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 new protracted relief and recovery operation for Sri Lanka for the period 2009–2010 aims to save lives and protect livelihoods of vulnerable people affected by the conflict. Beneficiaries are displaced people, returning internally displaced persons and those affected by the conflict but living in their own homes. Vulnerable groups in neighbouring communities are included to ensure equity of assistance in accordance with the “do no harm” principle. The specific needs of children and women will be addressed through food for education and mother-and-child health and nutrition activities.

The principal component will be targeted relief food distribution. Rebuilding activities through food for work or training will concentrate on livelihoods and household food security. All activities will be implemented through government counterparts, ensuring sustainability through integration with government policies and complementarity with government activities such as school and supplementary feeding. This will facilitate the hand-over strategies developed during the operation.

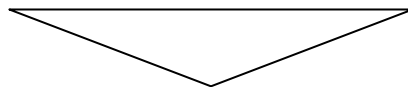
Sri Lanka – a low-income, food-deficit country – is affected by increasing global food and fuel prices. A recent WFP survey¹ concluded that WFP-assisted households spend an average of 63 percent of their incomes on food, and more than 90 percent of displaced and returning households are below the poverty line set by the Government. The country’s high malnutrition rates, particularly in conflict-affected areas, and tendency for sudden natural disasters create a potential for further deterioration of the conditions of affected people. WFP’s assessments prove the need for food assistance in these areas and indicate that current WFP activities have largely achieved the goals of maintaining good nutritional intake and preventing increased malnutrition rates among beneficiaries.

All planned assistance is in line with government and humanitarian planning, the Millennium Development Goals and WFP’s new Strategic Objectives 1, 3, 4 and 5.

¹ WFP Rapid Survey, April 2008.



DRAFT DECISION*



The Executive Board approves the proposed protracted relief and recovery operation for Sri Lanka 10756.0 “Food For Peacebuilding and Recovery in Conflict-Affected Areas” (WFP/EB.2/2008/8-B/2.)

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document (document WFP/EB.2/2008/15) issued at the end of the session.



SITUATION ANALYSIS AND SCENARIO

Context

1. Sri Lanka is a low-income, food-deficit country where 25 years of civil conflict have had a major impact on economic and social development, aggravated by the 2004 tsunami. Twenty-three percent of the population lives in poverty,² with major disparities among regions. Malnutrition levels among children under 5 are high, especially in the main conflict areas of the north and east, where 40 percent of children are underweight, 31 percent are stunted and 28 percent suffer from wasting.³
2. The period of “no war, no peace” that followed the 2002 ceasefire between the Government and the Liberation Tigers of Tamil Eelam (LTTE) ended with the Government’s formal withdrawal from the ceasefire agreement on 16 January 2008. Hostilities occur regularly in 8 out of 25 districts and adjoining areas; the conflict shifted northwards in 2008. Currently 200,000 people are displaced. Other vulnerable groups, including 203,000 returnees, struggle to resume or maintain their livelihoods in their places of origin.⁴
3. The Jaffna Peninsula remains isolated through closure of the main north–south road; all goods have to be transported by sea and exports are limited, affecting local livelihood possibilities. Communication with LTTE-controlled northern districts is increasingly difficult; intermittent closure of the forward defence lines and a secondary checkpoint at Medawechchiya restrict movements of people and goods, with direct impacts on food security.
4. The east is becoming more stable, with the return of internally displaced persons (IDPs) – there are now just 21,000 IDP beneficiaries – and recent provincial elections. Security incidents continue, however, and some areas are not open to returnees. Resumption of local livelihoods is impeded by restrictions on fishing and natural disasters such as flood and drought.
5. In Sri Lanka literacy levels for men and women are similar, and women are well-represented in the academic and welfare fields. However, at the household level traditional gender-based roles are strong.

Food Security and Nutrition Situation

6. Sri Lanka has high child undernutrition and malnutrition levels: 22 percent are underweight, 18 percent are stunted and 15 percent suffer from wasting.⁵ Rates are higher in the conflict-affected north and east. Average weight gain during pregnancy is less than 7.5 kg; nearly 30 percent of women are undernourished or anaemic.⁶ Every fifth baby

² Department of Census and Statistics. Household Income and Expenditure Survey 2002/03. Excludes most of the northern and eastern districts.

³ United Nations Children’s Fund (UNICEF), WFP and the Department of Census and Statistics reports for 2003, 2004, 2005, 2006 and 2007

⁴ Security restrictions prevent fishing, farmers cannot obtain inputs or have lost their markets because of movement restrictions, daily workers have lost their livelihoods, etc.

⁵ Demographic and Health Survey (DHS) 2006/07 national averages. In DHS 2000/01, these figures were 29, 14 and 14 percent, respectively.

⁶ National Nutrition Action Plan 2007



weighs less than 2.5 kg at birth.⁷ The main micronutrient deficiency is iron, leading to anaemia.

7. In May 2007, a WFP food security assessment adopting the Integrated Food Security and Humanitarian Phase Classification (IPC) approach identified eight conflict-affected districts as priority areas. This list was revised in 2008: Jaffna, Kilinochchi, Mullaitivu and LTTE-controlled areas of Vavuniya and Mannar are rated as humanitarian emergencies with medium risk of deterioration; Batticaloa, Trincomalee and Government-controlled areas of Vavuniya and Mannar suffer from acute food and livelihood crises, with medium-to-high risk of deterioration; and Ampara is chronically food-insecure with medium risk of deterioration.⁸ If the conflict subsides, food security should gradually improve, but only limited progress is likely within the period of this protracted relief and recovery operation (PRRO).
8. WFP emergency food security assessments (EFSAs) in LTTE-controlled Vanni in October 2006, Jaffna in November 2006, Batticaloa in May 2007 and Trincomalee in July 2007 all indicate similar effects of conflict on IDPs, host families and non-displaced households; IDPs' loss of livelihoods make them the most vulnerable. Farmers, fisherfolk, labourers and traders are affected by reduced harvests, loss of income, lack of access to markets and decreased purchasing power. Traditional coping strategies such as reducing meal portions, relying on less-preferred food and selling or pawning assets are largely exhausted; families are increasingly using harmful practices such as forgoing meals. The first crops planted by many returnee households were destroyed by unseasonal rain. Assessments in Batticaloa in May 2007 and Trincomalee in July 2007 indicate a need for continuing basic food assistance until households can resume their livelihoods.
9. Increasing food prices have further eroded the purchasing power of WFP-targeted vulnerable groups, reducing their already poor access to a basic, balanced diet. WFP's April 2008 rapid assessment of the effects of food price increases on beneficiaries found basic food commodity prices rising by up to 100 percent in a year;⁹ increased competition for food on the international market is likely to push prices even higher. Households now spend an average of 63 percent of their incomes on food. More than 90 percent of IDP and returnee households, and 72 percent of economically affected beneficiaries, are below the Government's revised poverty threshold of 2,886 Sri Lanka rupees /person/month (US\$26.76).¹⁰
10. In many conflict-affected areas prices have risen to cover the extra costs of offloading goods for inspection at checkpoints and reloading them on to other means of transport; vehicles cannot cross the checkpoints. Consumers in isolated Jaffna bear the additional costs of shipping. Household-level food security seems likely to decline, resulting in increased malnutrition rates.

Scenarios

11. Although all stakeholders hope for peace, the Government's indication that the conflict will be over by the end of 2008 seems optimistic. In many project areas, local welfare infrastructure has deteriorated. It will take time to establish sustainable welfare services that meet the local population's needs, leaving a role for humanitarian assistance during

⁷ DHS 2006/07

⁸ FAO's "Crop prospects and food situation" (July 2008) cites Sri Lanka as "severe localized food insecurity".

⁹ For example, rice prices increased by 94 percent, from US\$327 to US\$633/mt between April 2007 and April 2008; pulse prices rose from US\$806 to US\$1,490/mt (85 percent).

¹⁰ March 2008



this transition period. It will also take time for the displaced to return and resume their regular livelihoods. Law and order in conflict-affected areas, good governance and protection will be critical.

12. Operating space is still restricted by problems with access, security, staff safety and perceived partiality, making it difficult to implement programmes in line with the “Guiding Principles for Humanitarian and Development Assistance in Sri Lanka” developed and signed by the United Nations and donors, and endorsed by the Government.
13. In the medium term, rising food prices will undermine the food security of vulnerable households, driving additional households below the poverty line. Floods, drought and landslides will continue to affect communities at risk. Between February and April, late rains reduced the main *Maha* harvest by 60 to 70 percent in eastern areas of return.¹¹ WFP supported the government response to more than 300,000 flood victims in the island’s southwest and centre in June 2008.
14. The situation in PRRO areas will remain in flux. Vulnerable households will be increasingly precarious owing to multiple shocks and the limited national assistance resources available. During 2009–2010, continued food assistance will therefore be needed to mitigate and prevent hunger, and to assist the restoration of livelihoods in conflict-affected districts.

POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT AND OTHERS

Policies, Capacities and Actions of the Government

15. Sri Lanka’s welfare policies include poverty alleviation and government food assistance. These have been eroded by increasing prices and local inflation, and now provide a maximum of less than US\$3/person/month. Responding to high global food prices, the Government has commissioned an advisory committee on accelerated food production. It has also established a high-level task force to examine social welfare policies and safety nets for those most affected by soaring food prices, but households will not see gains in the short term.
16. The Government is implementing its social welfare philosophy *Mahinda Chintanaya*, including school feeding and nutrition interventions, but these are still limited in scope: school feeding covers only grades 1 and 2 in targeted schools.
17. The Government is developing post-conflict rehabilitation, such as the East Rising plan. Similar initiatives can be expected for the north once the fighting subsides, but benefits at the household level are unlikely in the short term.

Policies, Capacities and Actions of Other Major Actors

18. The Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization and the United Nations Development Programme (UNDP) are working to support livelihoods, particularly in the east; the situation in northern conflict areas is not yet conducive to such efforts. Sri Lanka is one of 54 countries – 11 in the Asia and the Pacific region – assisted under FAO’s Initiative on Soaring Food Prices, which

¹¹ FAO. May 2008. Adverse weather effect on rice and other crops.



supports food production with agricultural inputs such as seeds and fertilizer. Major international non-governmental organizations (NGOs) also work on livelihood recovery. WFP collaborates with these agencies on targeting and coordinating activities.

19. International and local NGOs, including *Zuid Ost Azie* (South East Asia, a Dutch NGO), the Danish Refugee Council, Caritas, Catholic Relief Services and German Agro Action, have complementary food programmes, providing additional commodities to displaced beneficiaries, especially in welfare centres.
20. WFP and UNICEF collaborate in the nutrition sector and are initiating a joint country-wide nutritional survey.
21. The World Bank, the Asian Development Bank, the European Commission and other financial institutions have large recovery and development support activities in eastern Sri Lanka, the impacts of which will take time to reach households.

Coordination

22. At the national level, the main policy coordination mechanism with the Government is the Consultative Committee on Humanitarian Affairs, co-chaired by government decision-makers, with the participation of donors, United Nations agencies and the International Committee of the Red Cross. The United Nations coordinates through country team meetings, the Security Management Team (SMT), the Operations Management Team and the Programme Operations Group. The Inter-Agency Standing Committee involves donors and NGOs.
23. At the local level, the main United Nations and NGO coordination mechanisms are Area SMT meetings and meetings managed by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA).
24. WFP chairs monthly coordination meetings for food and logistic sectors at the national and district levels. These mechanisms ensure that duplication is avoided; for example, areas targeted for Red Cross cash support were excluded from WFP's targeted relief distributions.
25. PRRO activities are expected to be in line with the Common Humanitarian Action Plan (CHAP) 2009 for Sri Lanka. WFP's development project 10607.0 is in line with the United Nations country strategy and United Nations Development Assistance Framework (UNDAF).

OBJECTIVES OF WFP ASSISTANCE

26. The PRRO will focus on reducing hunger, protecting and strengthening livelihoods, and strengthening government capacity to tackle hunger issues. The expected outcomes are in line with WFP Strategic Objectives 1, 3, 4 and 5:¹²
 - meet the food energy requirements of targeted vulnerable people displaced and/or economically affected by the renewed conflict;

¹² Strategic Objective 1 – Save lives and protect livelihoods in emergencies; Strategic Objective 3 – Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations; Strategic Objective 4 – Reduce chronic hunger and undernutrition; and Strategic Objective 5 – Strengthen the capacities of countries to reduce hunger, including through hand-over strategies and local purchase.



- improve or sustain the nutritional status of pregnant and lactating women and children under 5;
- secure the human capital of targeted vulnerable families through their participation in education;
- assist targeted vulnerable people displaced or economically affected in creating and/or protecting their livelihood assets; and
- strengthen the capacity of government counterparts to manage food assistance programmes.

WFP RESPONSE STRATEGY

Nature and Effectiveness of Food Security-Related Assistance to Date

27. EFSAs show that WFP has ensured food security for displaced and returning households. Food consumption based on number of meals and diversity is adequate, and malnutrition rates among beneficiary populations have remained stable, while they increased in unassisted conflict-affected households.¹³
28. Although humanitarian assistance in the north has been disrupted by transport restrictions, security forces facilitate the passage of WFP trucks if they are sealed by the Sri Lankan Army at loading points.
29. WFP's local procurement of rice from LTTE-controlled areas has helped ensure a local market for surplus production, stimulating local livelihoods in agricultural communities. Local procurement of flour or exchange of in-kind wheat donations has also supported the local economy.

Strategy Outline

30. Under the PRRO, WFP seeks to ensure food security for households in conflict-affected districts, through the relief activity of targeted food assistance, restoration activities using food for work/food for training (FFW/FFT) and safety net activities targeting particularly vulnerable groups such as pregnant and lactating women, infants and schoolchildren. Ensuring the ability to react to additional needs and building the capacity of local partners are cross-cutting themes. WFP will utilize in-country stocks to complement government responses to natural disasters, particularly unseasonal flooding.
31. **Relief activities:** Targeted relief food distribution will assist households displaced by the conflict and provide six months of rations to returning households. Groups that are severely affected economically by the conflict will also be targeted; these include households dependent on fishing that are affected by security restrictions, households headed by a single person, the disabled and the elderly. Each household will receive a monthly ration of basic food, equivalent to 1,900 kcal/person/day¹⁴ inclusive of other food sources: WFP monitoring shows that almost all households have some food from their own resources and/or are receiving complementary food from NGOs. Full implementation of this activity will require the continued support of WFP's special operation (SO) 10539.0 "Augmentation of Logistics Preparedness Capacity".

¹³ DHS 2006/07 and UNICEF data

¹⁴ This ration could change according to resource availability.



32. **Restoration activities:** FFW will help restore and rebuild livelihoods through the creation and rehabilitation of assets for increased food production, such as irrigation and drainage, and livelihood recovery programmes. This will support households without creating dependency, and will mitigate the adverse effects of price increases, natural disasters and weather shocks. Each FFW project is encouraged to organize an oversight committee with equal participation of women.
33. **Safety net activities:** Through health clinics, mother-and-child health and nutrition (MCHN) activities will provide a monthly take-home ration of fortified blended food, oil and sugar to all children aged 6 to 24 months, all pregnant and lactating women and targeted malnourished children aged 25 to 59 months.¹⁵ Food distribution with nutrition education and monitoring is important in ensuring long-term improvements in nutritional status. This activity will cover most administrative divisions in conflict-affected districts, and in 2009 also some border divisions within neighbouring districts. As the production of the Government's own blended, fortified food ("Thriposha") expands under WFP's work with the Ministry of Health, responsibility for providing fortified food will be transferred to the Government. WFP provides a food ration as an incentive for health volunteers in areas lacking staff.
34. Food for education (FFE) activities will provide a cooked meal for all primary students in selected schools in conflict areas. It will help maintain attendance, sustain learning activities and address short-term hunger, while providing a safety net for children from households who do not get enough to eat at home. WFP provides a small food ration for the voluntary cooks, who are mostly parents.
35. **Cross-cutting:** WFP will continue to build the capacity of national and local government partners to implement food assistance programmes independently. Activities will include training and on-the-job mentoring such as joint development of programme tools, joint monitoring, joint preparation of reports and other documents, and inclusion of government counterparts in donor visits. WFP has provided capital assets such as computer equipment, photocopiers and motorbikes to strengthen reporting and monitoring capacity at the local level. Similar initiatives at the national and provincial levels have developed terms of reference, accountability guidelines, etc. Capacity development will be carried out for all programme and logistics aspects.
36. Given rising global prices of rice and its continued cultivation in many conflict-affected areas, and to stimulate local production by ensuring market demand, WFP will investigate the feasibility of additional cash programming or, in line with the Purchase for Progress (P4P) initiative, vouchers for the rice ration. WFP and government counterparts will also look into an FFE voucher system for schools to purchase food, as a step towards integrating WFP and government FFE programmes.
37. WFP and government counterparts are working to improve accountability and transparency. Independent evaluations found programme targeting¹⁶ appropriate, with beneficiary groups having equal access to WFP assistance. In line with WFP's Enhanced Commitments to Women, ration cards are issued in the names of women, including as heads of household. FFW and FFT activities target women as beneficiaries and have been very successful.

¹⁵ Malnourished is defined as underweight status < -3 standard deviation.

¹⁶ For example, International Food Policy Research Institute (IFPRI). 2006. An assessment of the effects of the cash transfer pilot project on household consumption patterns in tsunami-affected areas of Sri Lanka.



Hand-Over Strategy

38. All WFP activities are integrated into government policies and approaches; WFP and the Government are working on eventual hand-overs of activities.
39. Returning IDPs will receive only a six-month ration before the Government takes full responsibility for their welfare. The timing of the rations varies according to agricultural season.
40. WFP is building the Thripasha programme's local production and distribution capacity to reach all beneficiaries nationwide. There will then be no need to import corn-soya blend (CSB), and the Government will be able to take over the full beneficiary caseload.
41. FFE activities are being more closely aligned with the Government's school feeding, to facilitate hand-over through integration. During 2008, the Government took over school feeding in 44 schools in Galle and Matara districts, which WFP had assisted in the context of its response to the tsunami.
42. All FFW activities involve partnerships with communities and local-level government departments, which ensures maintenance of the assets created. The Government contributes funding through purchase of non-food inputs. Much FFW supports the Department of Agrarian Development's activities to improve local production, thus reducing the need for WFP assistance.

BENEFICIARIES AND TARGETING

TABLE 1: BENEFICIARIES						
Beneficiaries	2009			2010		
	Men/Boys	Women/Girls	Total planned	Men/Boys	Women/Girls	Total planned
Targeted relief food distribution: internally displaced or otherwise affected by conflict						
IDPs	100 000	100 000	200 000	25 000	25 000	50 000
Other conflict-, disaster- or economically affected people	116 500	116 500	233 000	116 500	116 500	233 000
MCHN						
Pregnant and lactating women		72 000	72 000		56 000	56 000
Children 6-59 months	76 500	76 500	153 000	59 500	59 500	119 000
FFE						
Schoolchildren	172 000	172 000	344 000	137 500	137 500	275 000
FFW and FFT						
FFW beneficiaries	77 750	77 750	155 500	57 638	57 638	115 276
FFT beneficiaries	8 750	8 750	17 500	6 250	6 250	12 500
Total			1 175 000			860 776



43. Targeting will avoid aggravating tensions between recipient and non-recipient communities. Focus will be on the eight conflict-affected districts in the north and east, and on border divisions in the five neighbouring districts of Anuradhapura, Hambantota, Polanaruwa, Monaragala and Puttalam. This takes into account the impact of conflict and ensures equity of assistance among communities, in line with the “do no harm” principle. Many people are living in insecure environments with regular fighting, bombing and/or shelling. Most PRRO areas are rural, and most targeted households are farming or fishing families, labourers or petty traders. Children and pregnant and lactating women receive programmes targeting their needs.

NUTRITIONAL CONSIDERATIONS AND RATIONS

44. WFP rations reflect the diverse consumption patterns and preferences across regions, for example by including red rice in the north and white rice in the east. Most households have food stocks of less than one week, and tend to ensure that young children are fed first. Drinking water is usually obtained from a dug well; only urban households have access to piped water. Virtually all households have access to basic cooking utensils. Wood is the main cooking fuel in rural areas.
45. The targeted relief programme ration is based on culturally accepted dry food, complemented by food provided by other organizations. WFP monitoring shows that beneficiaries are satisfied with this. MCHN and FFE rations were modified during the current PRRO¹⁷ to improve their acceptability; the MCHN ration now contains oil and sugar, and CSB has been dropped from FFE because children prefer rice and dhal. The Government provides fresh food to complement WFP FFE rations.

TABLE 2: FOOD RATIONS, BY PROGRAMME INTERVENTION									
	Rice	Wheat flour	Dhal	Oil	Sugar	CSB	Kcal	% of kcal provided by protein	% of kcal provided by fat
	(g/person/day)								
Targeted relief distribution	200	200	60	20	20	-	1 900	11	12
MCHN	-	-	-	15	10	100	570	13	33
FFE	100	-	20	10	-	-	520	10	19
FFW/FFT, including FFE and MCHN volunteers	250	250	60	-	20	-	2 100	12	2

Source: NutVal 2006 Optima

¹⁷ Sri Lanka PRRO 10067.1 “Assistance to Vulnerable Groups for Peacebuilding in Areas Affected by Conflict and the Tsunami”.



IMPLEMENTATION ARRANGEMENTS

46. In 2007 and 2008, programme implementation by government counterparts improved. Beneficiary targeting is adequate and the adoption of joint call-forward and food allocation mechanisms has improved food delivery. Programme implementation through the Government facilitates WFP access to sensitive areas and encourages trust among the Government, security forces and WFP.
47. At the national level, overall coordination and management will be by the Ministry of Nation Building and Estate Infrastructure Development (MNBEID), supervised by its Secretary. The project director and project management unit ensure day-to-day management. Implementation within each district is under the authority of the most senior government representative at the district level, supported by the district management unit.
48. Distribution will be through tested systems, using multi-purpose cooperative societies (MPCS) for relief and FFW/FFT distributions, and direct distribution to schools and to clinics for FFE and MCHN activities, respectively.
49. The Government's contribution covers logistics costs for MCHN, FFE and FFW/FFT programmes, the greenery fund for fresh vegetables and condiments for school feeding, and the structural fund for non-food and technical inputs for the FFW programme, as well as its own staffing, administration and other implementation costs. To improve performance, WFP will make the following implementation refinements:
- *Line ministries:* WFP has been working with MNBEID to ensure that all technical aspects of programmes are implemented through the appropriate line ministries. This increases the integration of MCHN, FFE and FFW programmes into national policy, improves technical supervision and facilitates eventual exit strategies.
 - *Capacity development:* Training and assets for national and local government counterparts are essential to WFP's hand-over strategy. Capacity-building involves continued partnership with central and district project management units, and specific activities such as the joint Ministry of Health–WFP partnership on Thripasha production. These require regular assessment and revision.
 - *Advocacy and coordination:* WFP will continue to lead the food sector, using information from this sector in advocacy with the Government, donors and other stakeholders. WFP will work with the Government on responses to rising global food prices that mitigate the likely impacts on poverty in Sri Lanka.
50. **SO support:** PRRO success, especially in the north, depends on the continued support of the logistics SO, which undertakes much district-level delivery in the north. The SO's trucks can pass through checkpoints without inspection as long as they have been sealed by the military authorities. This facilitates movements of food in areas that would be largely inaccessible to the private haulage contractors used by the Government.
51. **Environment:** FFW activities include preventive and mitigation measures that contribute to environmental stabilization, such as planting trees and protection from floodwater and salt water.
52. **Participation:** Development of this PRRO involved consultation with partners, including the Government, donors and civil society organizations. Beneficiaries' feedback during focus groups and monitoring indicated their broad agreement and satisfaction with activities.



53. **Safety and security:** Despite the overall situation in the country, crime rates are low. Distributions are made close to beneficiaries' households. When these are security threats to household food stocks, WFP distributes rations every two weeks to limit the amounts households hold.
54. **Logistics arrangements:** WFP will purchase locally 25 percent of food for this operation, including most of the rice and flour. All imported food enters the country through Colombo. In-kind wheat donations are offloaded directly at the Trincomalee flour mill. Rice is usually delivered direct to district warehouses by suppliers; flour is collected from Trincomalee.
55. Food is stored in national- and district-level government warehouses, and at WFP logistics hubs in Vavuniya, Jaffna, Trincomalee and Colombo. In-country transport is 75 percent by road, usually in private trucks contracted by MNBEID and/or in WFP trucks, 3 percent by rail, and 22 percent by ship, mainly for Jaffna. All movement from district warehouses is by road, apart from the small quantities distributed to islands in Jaffna.
56. **Landside transport, storage and handling (LTSH) costs:** The Government will cover the LTSH costs for FFE, MCHN and FFW/FFT activities. WFP will bear the LTSH costs for targeted relief distribution. The rate covers some LTSH and distribution costs not funded through the SO. The Commodity Movement Processing and Analysis System (COMPAS) tracks all food handled under the PRRO. Data are entered at the district level for consolidation, reconciliation and analysis in Colombo.
57. **Procurement:** If harvests permit and crop diversification can be stimulated, more food could be bought in the country. The use of vouchers for FFE could stimulate local sales of rice.

PERFORMANCE MONITORING

58. Both WFP and government counterparts monitor the PRRO at the distribution and post-distribution stages. Direct monitoring of beneficiaries is undertaken at distribution points – MPCS, schools and clinics – using agreed tools. Focus groups and key informant monitoring ensure wider feedback. WFP sub-offices have targets and present monthly monitoring reports that are consolidated at the country office level before being analysed by the activity managers. This process will be facilitated by use of the database recently installed at the sub-office level. The PRRO's overall results are expected to be evaluated externally in 2010 to inform future programming decisions.
59. WFP's efforts to build the monitoring capacity of government counterparts include training, provision of motorbikes and joint monitoring visits. Most activities are reviewed annually to examine and if necessary revise monitoring strategies, tools and results.

RISK ASSESSMENT AND CONTINGENCY PLANNING

Risk Assessment

60. Further escalation of the conflict is a key risk for PRRO implementation. Limited access for WFP staff would curtail food delivery, distribution and monitoring, risking the politicization of food aid and affecting the welfare and nutritional status of vulnerable communities.



61. Lack of resources because of increasing food and fuel prices could cause pipeline breaks, resulting in reduced or incomplete rations that could increase hardship and malnutrition for beneficiary households.
62. There is a risk that the planned reduction in geographic coverage for 2010 is not feasible, which might affect scaling down the operation.
63. The country office will be careful to ensure that local procurement does not compromise the availability of food on the local market.

Contingency Planning

64. WFP is part of the United Nations inter-agency group that monitors and plans for possible contingencies. WFP produces food security bulletins on Jaffna and LTTE-controlled Vanni, including early-warning triggers on food security trends.
65. The logistics SO is crucial to the operation's contingency plan for ensuring food transport to all areas. The hubs provide sufficient storage for the planned contingency stocks, allowing rapid responses to emergencies and ensuring sufficient buffer stocks to cover periods when access is impossible.
66. The contingency plan also considers responses to sudden-onset disasters. The biggest constraint to preparedness is resource shortfalls and consequent lack of adequate food stocks.

SECURITY CONSIDERATIONS

67. Although direct confrontation between warring parties has increased and the conflict has intensified, WFP is unlikely to be a target. It has, however, implemented all United Nations security precautions – including marking of WFP offices and vehicles, establishing communications measures and equipping buildings or staff with protective materials such as shatter-resistant film, mine blankets and body armour – and maintains good communications with the security forces.
68. There is high risk of traffic accidents throughout Sri Lanka. WFP ensures that all vehicles are well maintained and that drivers are well trained and follow safety regulations.
69. Rising prices cause greater hardship, particularly for poorer populations, which increases the risk of crime. WFP has implemented requirements for minimum operating security standards (MOSS), minimum operating residential security standards (MORSS) and minimum security telecommunications standards (MISTS).
70. North and east Sri Lanka are in United Nations security phase III (“relocation”), except the Vanni, which is in security phase IV (“emergency operations”). The rest of the country is in phase I (“precautionary”).



ANNEX I-A

BREAKDOWN OF PROJECT COSTS			
	Quantity (mt)	Average cost per mt (US\$)	Value (US\$)
WFP COSTS			
Direct operational costs			
Food commodities ¹			
– Rice	51 191	696	35 648 250
– Wheat flour	9 021	481	4 335 500
– Wheat	36 960	338	12 496 904
– Pulses	13 742	619	8 503 137
– Sugar	5 104	506	2 582 624
– CSB	13 096	628	8 227 955
– Oil	6 461	1 546	9 988 383
Total food	135 575		81 782 753
External transport			13 150 692
Landside transport			1 547 119
Internal transport, storage and handling			1 721 369
Total Landside, transport, storage and handling			3 268 488
Other direct operational costs			660 950
A. Total direct operational costs			98 862 883
B. Direct support costs ² (see Annex I-B)			11 250 591
C. Indirect support costs³ (7.0 percent)			7 707 943
TOTAL WFP COSTS			117 821 417

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

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

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



ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff	
International professional staff	5 168 100
National professional officers	406 311
National general service staff	410 314
Temporary assistance	1 273 349
Overtime	26 068
Incentives	490 784
International consultants	100 000
United Nations volunteers	330 000
Staff duty travel	520 287
Staff training and development	90 000
Subtotal	8 815 213
Office expenses and other recurrent costs	
Rental of facility	360 000
Utilities (general)	176 183
Office supplies	136 058
Telecommunications and information technology services	437 241
Insurance	52 500
Equipment repair and maintenance	87 917
Vehicle maintenance and running cost	409 500
Other office expenses	546 859
Subtotal	2 206 258
Equipment and other fixed costs	
Furniture, tools and equipment	40 000
Vehicles	89 120
Telecommunications and information technology equipment	100 000
Subtotal	229 120
TOTAL DIRECT SUPPORT COSTS	11 250 591



ANNEX II: LOGICAL FRAMEWORK		
Results chain	Performance indicators	Risks and assumptions
Strategic Objective 1 – Save lives and protect livelihoods in emergencies		
Outcome 1 Meet the food energy requirements of targeted vulnerable people displaced and/or economically affected by the renewed conflict	<ul style="list-style-type: none"> ➤ % of targeted beneficiaries with adequate daily kcal consumption (recommended daily allowance) 	<ul style="list-style-type: none"> ➤ Access to project areas and vulnerable populations is guaranteed ➤ Security situation in the project areas allows programme implementation
Strategic Objective 4 – Reduce chronic hunger and undernutrition		
Outcome 2 Improve or sustain nutritional status of pregnant and lactating women and children under 5	<ul style="list-style-type: none"> ➤ Prevalence of underweight among targeted children under 5 ➤ Adequate weight gain for pregnant women ➤ % of babies born with low birthweight 	<ul style="list-style-type: none"> ➤ Clinics operating with staff and other resources are available ➤ Quality of WFP provided food is acceptable and as per recommended standards ➤ People are able to attend clinics
Strategic Objective 3 – Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations		
Outcome 3 Secure human capital of targeted vulnerable families through their participation in education	<ul style="list-style-type: none"> ➤ Absolute enrolment: annual rate of change in actual number of girls and boys enrolled in WFP-assisted schools ➤ Attendance rate: number of days girls and boys attend classes in WFP-assisted schools as percentage of total number of schooldays ➤ Gender ratio: ratio of girls to boys enrolled in WFP-assisted schools 	<ul style="list-style-type: none"> ➤ Access to project areas and vulnerable populations is guaranteed ➤ Security situation in the project areas allows efficient programme implementation ➤ Complementary inputs are provided by the Government and non-governmental partners ➤ Teachers and educational materials are available in schools ➤ Children are able to attend school without any impediments ➤ Food is available in the country in a timely manner ➤ Food pipeline works



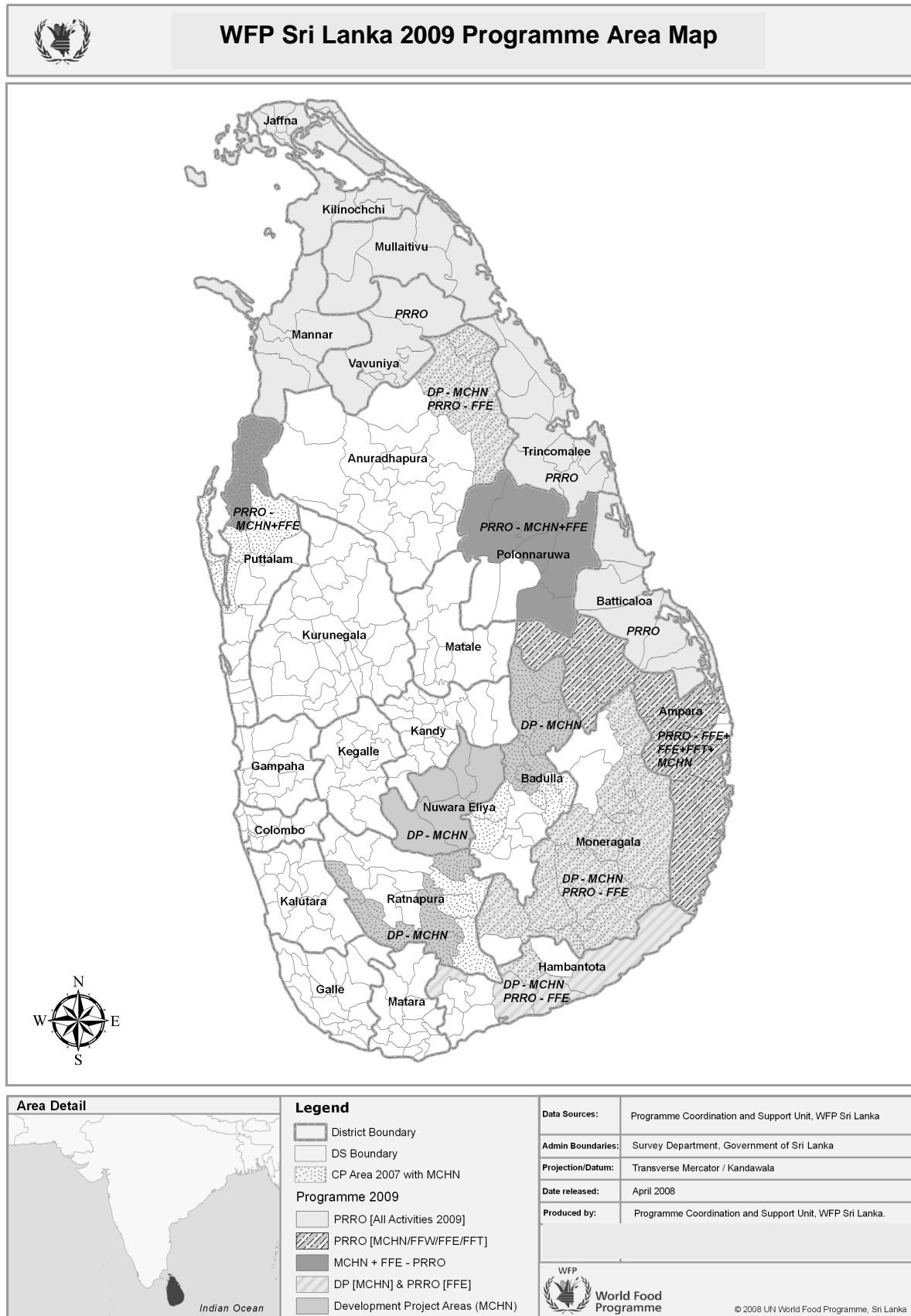
ANNEX II: LOGICAL FRAMEWORK

Results chain	Performance indicators	Risks and assumptions
<p>Outputs for Outcomes 1 to 3:</p> <p>Provision of food and non-food items in sufficient quantity and quality for targeted beneficiaries</p>	<ul style="list-style-type: none"> ➤ Numbers of actual beneficiaries receiving relief food assistance, disaggregated by sex, as percentages of planned beneficiaries ➤ Numbers of children under 5 receiving food assistance, disaggregated by sex, as percentages of planned beneficiaries ➤ Numbers of pregnant and lactating women receiving food assistance, as a percentage of planned beneficiaries ➤ Number of elementary school girls and boys receiving food assistance, as a percentage of planned beneficiaries ➤ Actual mt of food commodities distributed to targeted beneficiaries, by beneficiary group and type of commodity, as percentages of planned commodities ➤ Actual quantities of non-food items distributed, by programme component and type, as percentages of planned distribution 	
<p>Outcome 4</p> <p>Assist targeted vulnerable people to create and/or protect their livelihood assets</p>	<ul style="list-style-type: none"> ➤ % of targeted households reporting increased income or production 	<ul style="list-style-type: none"> ➤ Technical expertise is available for FFW/food for assets (FFA)/FFT ➤ Complementary inputs provided by the Government and non-governmental partners

ANNEX II: LOGICAL FRAMEWORK		
Results chain	Performance indicators	Risks and assumptions
<p>Output 4.1</p> <p>Distribution of food and non-food items in sufficient quantity and quality to targeted beneficiary households through livelihood restoration activities (FFW/FFA/FFT)</p>	<ul style="list-style-type: none"> ➤ Numbers of actual beneficiaries receiving food assistance, disaggregated by sex, as percentages of planned beneficiaries ➤ Actual mt of food commodities distributed to targeted beneficiaries, by beneficiary group and type of commodity, as percentages of planned commodities ➤ Numbers of assets created, by type of asset ➤ Number of people trained ➤ Numbers of trainings completed, by type 	<ul style="list-style-type: none"> ➤ Food pipeline works
Strategic Objective 5 – Strengthen the capacities of countries to reduce hunger, including through hand-over strategies and local purchase		
<p>Outcome 5</p> <p>Strengthen the capacity of government counterparts to manage food assistance programmes</p>	<ul style="list-style-type: none"> ➤ % of distribution reports received on time ➤ Quality of reports received ➤ Ratio of food dispatched to districts to food called-forward by the districts ➤ Speed of local dispatch 	<ul style="list-style-type: none"> ➤ Counterpart ministries, line departments and local governments are engaged in capacity-building initiatives with WFP ➤ Government resources are provided for staff skill augmentation and participation in joint activities with WFP ➤ Government is willing to dispatch commodities in an impartial and timely manner
<p>Output 5.1</p> <p>Capacity-building activities, including training, provided to government staff at the central, district and village levels</p>	<ul style="list-style-type: none"> ➤ Number of sectors of technical services and cooperation provided ➤ Number of counterpart staff trained ➤ Types and numbers of equipment provided ➤ Number of capacity-building activities conducted 	



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

CHAP	Common Humanitarian Action Plan
COMPAS	Commodity Movement Processing and Analysis System
CSB	corn-soya blend
DHS	Demographic and Health Survey
DSC	direct support costs
EFSA	emergency food security assessment
FAO	Food and Agriculture Organization of the United Nations
FFA	food for assets
FFE	food for education
FFT	food for training
FFW	food for work
IDP	internally displaced person
IFPRI	International Food Policy Research Institute
IPC	Integrated Food Security and Humanitarian Phase Classification
ISC	indirect support costs
ITSH	internal transport, storage and handling
LTSH	landside transport, storage and handling
LTTE	Liberation Tigers of Tamil Eelam
MCHN	mother-and-child health and nutrition
MISTS	minimum security telecommunications standards
MNBEID	Ministry of Nation Building and Estate Infrastructure Development
MORSS	minimum operating residential security standards
MOSS	minimum operating security standards
MPCS	multi-purpose cooperative society
NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs (United Nations)
ODOC	other direct operational costs
P4P	Purchase for Progress
PRRO	protracted relief and recovery operation
SMT	United Nations Security Management Team
SO	special operation
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNV	United Nations volunteer