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Agenda Item 8

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Operational Matters

For information

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Budget Increases to Protracted Relief and Recovery Operations — Somalia 200844

Reducing Malnutrition and Strengthening Resilience to Shocks for a Food-Secure Somalia

Cost (United States dollars)			
	Current budget	Increase	Revised budget
Food and related costs	338,246,351	137,567,857	475,814,209
Cash-based transfers and related costs	188,548,051	96,633,272	285,181,323
Capacity development and augmentation	3,038,925	-	3,038,925
Total cost to WFP	729,313,107	269,824,501	999,137,608

Gender marker code 2A

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

Decision

The Board approved by correspondence the budget increase of USD 270 million for Somalia PRRO 200844 “Reducing Malnutrition and Strengthening Resilience to Shocks for a Food-Secure Somalia”.

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Nature of the Increase

1. In response to deteriorating food security and nutrition status in Somalia, this budget revision will:
 - increase the number of beneficiaries of WFP relief assistance from 224,000 to 2,100,000;
 - increase the number of moderate acutely malnourished children aged 6–59 months and pregnant and lactating women (PLW) receiving treatment for moderate acute malnutrition, from 360,000 to 700,000;
 - increase the number of children aged 6–36 months and PLW enrolled in blanket supplementary feeding to prevent acute malnutrition, from 125,000 to 445,000;
 - increase the number of children aged 6–23 months and PLW in mother-and-child health and nutrition (MCHN) programmes to prevent acute and chronic malnutrition, from 145,000 to 985,000;
 - suspend food assistance-for-assets (FFA) and food assistance-for-training (FFT) activities from March to August 2017 to prioritize relief and nutrition interventions, except in cases of earmarked donor funding;
 - increase the food tonnage from 250,112 to 363,970 mt;
 - increase the cash-based transfer (CBT) value from USD 169,600,198 to USD 257,937,570; and
 - decrease landside transport, storage and handling costs from USD 396 per mt to 383 USD per mt.
2. This budget revision increases the total number of beneficiaries to 2.8 million in 2017, and the total budget for this protracted relief and recovery operation (PRRO) by USD 270 million.

Justification for Budget Increase

Summary of Existing Project Activities

3. Through PRRO 200844, WFP assists more than 1.4 million vulnerable Somalis in food-insecure areas through activities in four programme areas:
 - nutrition – curative and preventive nutrition assistance targeting vulnerable groups including children, PLW and people receiving anti-retroviral therapy and directly observed therapy for tuberculosis, and targeted behaviour change communication aimed at tackling the underlying causes of malnutrition;
 - relief – cooked meals for the most food-insecure people in Mogadishu, or general food distributions and unconditional CBTs to protect populations at risk of acute food insecurity;
 - livelihoods – CBTs or in-kind food assistance in exchange for participation in community asset creation or vocational training activities; and
 - social safety nets – school meals.

Conclusion and Recommendations of the Re-Assessment

4. In Somalia, 6.2 million people face acute food insecurity.¹ Of these, 2.9 million people are in “crisis” or “emergency” situations according to the Integrated Food Security Phase Classification (IPC) for February to June 2017. Another 3.3 million people are classified as “stressed” – IPC phase 2 – and in need of livelihood support.

¹ Food Security and Nutrition Analysis Unit, December 2016 and the February 2017 report of the Famine Early Warning Systems Network.

5. The prevalence of global acute malnutrition is above the critical threshold of 15 percent in 13 of the 27 rural and displaced population groups surveyed. In December 2016, approximately 363,000 children were acutely malnourished and in need of urgent treatment and nutrition support, including 71,000 who were severely malnourished and at high risk of disease and death. These figures are expected to increase significantly by June 2017. The Somalia nutrition cluster estimates that there will be 945,000 cases of global acute malnutrition in 2017.
6. The failure of the 2016 *Deyr* rains severely diminished crop production and reduced pastoralists' resources for supporting livestock. In January 2017, *Deyr* harvests were expected to be 75 percent below the five-year average and among the lowest on record. The effects of two consecutive seasons of below-average production have driven up staple cereal prices. Water levels on Shabelle River² have fallen as a result of poor rainfall in the upper river basin and the overutilization of river water in Somalia and Ethiopia. Many households have had to use their limited income to buy water for their livestock and their own consumption, and many more cannot afford to do so.
7. Conditions are worryingly similar to those that led to famine in 2011, but this time a much larger percentage of the population is at risk as coping capacities are significantly eroded. In pastoral areas, especially in central and northeastern Somalia, pasture and water scarcity are leading to livestock migration and death, resulting in human displacement. In the first three weeks of 2017, more than 33,000 people were displaced because of drought in southern and central Somalia, including 3,000 people who crossed into Ethiopia, where malnutrition rates among people arriving from Somalia reached nearly 90 percent.
8. Preliminary forecasts indicate below- to near-average rainfall in most of Somalia during the forthcoming *Gu* season (April–June 2017). If insufficient rainfall falls during this season, purchasing power will decline to the levels of 2010/2011, humanitarian assistance will be unable to reach populations in need, and famine – IPC phase 5 – will be likely.

Purpose of Extension and Budget Increase

9. To prevent catastrophe and consolidate the United Nations response with humanitarian partners, WFP will provide six months of emergency and nutrition support to the most affected populations, prioritizing regions with the largest numbers of internally displaced persons and the highest percentages of people in IPC phases 3 and 4.
10. WFP will expand the delivery of life-saving humanitarian assistance for 2.1 million people through food transfers, unconditional CBTs and cooked meals. Except in cases of earmarked donor funding, FFA and FFT will be halted from March to August to focus resources on the drought response; most planned FFA and FFT beneficiaries will be covered by these relief interventions.
11. Of the 2.9 million people in IPC phases 3 and 4 requiring humanitarian assistance, 800,000 reside in Middle Juba and Lower Shebelle in southern Somalia, where insecurity prevents access for WFP and most partners. WFP has access to the neighbouring Bay and Bakool regions, which have been severely affected by drought, and will provide assistance at catchment points in small towns to reach people in surrounding areas. This will mitigate population displacement and the need for beneficiaries to walk long distances for assistance. Organizations with access to Middle Juba and Lower Shebelle will continue their efforts to identify and reach drought-affected people.
12. Responding to the high levels of acute malnutrition in drought-affected areas, WFP will expand activities for the prevention of acute malnutrition in children aged 6–36 months and PLW, and the prevention of acute and chronic malnutrition in children aged 6–23 months and PLW through MCHN. Together, the two programmes will cover 1.4 million children and PLW. WFP will prioritize locations and vulnerable populations through regular household screening by trained community volunteers, considering the needs and vulnerabilities of women, men, girls and boys. The MCHN programme's increased coverage will boost the utilization of services through an integrated approach that includes immunization, pre- and postnatal health care, growth

² According to the Somalia Water and Land Information Management Project.

- monitoring, health and nutrition education, micronutrient supplementation, deworming and management of illness. In remote south-central and northeastern regions, activities for the prevention of acute malnutrition will be carried out through mobile clinics.
13. Nutrition counselling and messaging will target women and men in different age groups to ensure a wide understanding and application of good nutrition behaviour within households. WFP will also provide CBTs to 58,800 PLW attending MCHN clinics to improve dietary quality and diversity, reduce micronutrient deficiencies and support in-utero growth.
 14. Treatment of moderate acute malnutrition will be expanded to reach 470,000 children under 5 and 230,000 PLW through existing treatment centres and mobile outreach clinics in rural communities. New targeted supplementary feeding (TSF) sites will also be established to serve additional beneficiaries.
 15. High-energy biscuits will be pre-positioned at entry points to urban centres within Somalia and at border crossings as a bridge to additional food assistance and support for displaced populations.
 16. WFP will prioritize the most vulnerable households, including those with children under 5, women-headed households and households including at least one member with a disability. Food security data indicate that 50 percent of women-headed households have a poor food consumption score compared with 40 percent for households headed by men; 49 percent of households with disabled members have poor food consumption scores compared with 42 percent of other households.
 17. CBTs will be delivered to beneficiaries through nearly 700 retailers providing e-voucher redemption services to people registered with WFP's digital beneficiary and transfer management platform, SCOPE, and financial service providers. The retailer network is currently being expanded, including in Wajid and Hudur.
 18. Food distributions will be carried out by cooperating partners monitored by WFP staff, or third-party contractors in areas where WFP lacks access. All distributions will adhere to WFP's commitment to humanitarian principles and to doing no harm. WFP will ensure that its food assistance: i) advances gender equality; ii) does not increase protection risks; and iii) contributes to the safety and dignity of affected populations. The drought response will be carried out largely by WFP's network of more than 100 local and international non-governmental organization (NGO) partners.
 19. To support the provision of emergency food assistance, a cargo plane with 5 mt capacity has been made available in Mogadishu from February 2017. The current planned tonnage for the emergency response in Bay and Bakool, south Somalia, is 135 mt per month, primarily comprising nutrition products. If needed, additional planes will be used to complement air freight options. Ships will also be chartered to transport food by sea from Global Commodity Management Facility hubs in Mombasa, Djibouti and Berbera.
 20. WFP works with partners including United Nations agencies, clusters, international and local NGOs, and local authorities to coordinate assistance and ensure that drought-affected populations receive a comprehensive assistance package that may include food, water, sanitation and hygiene support, health support, agricultural inputs, livestock support and cash. WFP chairs the inter-agency cash working group. Through its collaboration with development actors, including the World Bank on CBTs, WFP seeks to link its humanitarian response to long-term development goals that minimize vulnerability and risks.

TABLE 1: BENEFICIARIES BY ACTIVITY

Activity	Beneficiary category	Current			Increase			Revised		
		Boys/ men	Girls/ women	Total	Boys/ men	Girls/ women	Total	Boys/ men	Girls/ women	Total
Relief*	Household rations	68 110	70 890	139 000	919 240	956 760	1 876 000	987 350	1 027 650	2 015 000
Relief – cooked meals	Individuals	41 650	43 350	85 000	0	0	0	41 650	43 350	85 000
MCHN**	Children 6–23 months and PLW	34 800	110 200	145 000	201 600	638 400	840 000	236 400	748 600	985 000
Blanket supplementary feeding (BSF)	Children 6–36 months	61 250	63 750	125 000	156 800	163 200	320 000	218 050	226 950	445 000
TSF	Children 6–59 months and PLW	122 544	237 456	360 000	115 600	224 400	340 000	238 144	461 856	700 000
MCHN	Household rations	22 500	22 500	45 000	0	0	0	22 500	22 500	45 000
School meals	Children	82 500	67 500	150 000	0	0	0	82 500	67 500	150 000
Take-home rations	Household rations	220 000	220 000	440 000	0	0	0	220 000	220 000	440 000
Tuberculosis/HIV	Individuals	1 800	2 200	4 000	0	0	0	1 800	2 200	4 000
FFA/FFT	Individuals	149 450	155 550	305 000	0	0	0	149 450	155 550	305 000
TOTAL		804 604	993 396	1 798 000	1 393 240	1 982 760	3 376 000	2 197 844	2 976 156	5 174 000
TOTAL excluding overlap		642 143	807 857	1 450 000*	1 203 640	1 572 360	2 776 000	1 616 429	2 033 571	3 650 000**

* CBTs will be provided to 50 percent of relief activity beneficiaries.

** In addition, 58,800 PLW participating in MCHN activities will receive cash assistance through the “e-vegetable” modality.

Notes: WFP offers preventive MCHN nutrition services through established clinics in partnership with the Ministry of Health. BSF is carried out through NGO partners and mobile clinics where MCHN clinics are not present.

Double counting of beneficiaries in the original PRRO included 60 percent of take-home ration beneficiaries, 30 percent of MCHN beneficiaries under 24 months and PLW, and 25 percent of school meal beneficiaries.

The new overlap calculation is based on the assumption that 40 percent of beneficiaries supported through nutrition activities are also covered by relief assistance. Revised total overlap includes relief beneficiaries + 60 percent of nutrition beneficiaries – BSF, TSF, MCHN – + 75 percent of school feeding beneficiaries, 40 percent of take-home ration beneficiaries, + clients of tuberculosis/HIV treatment and FFT beneficiaries, and 13 percent of FFA beneficiaries.

- In areas with functional markets, and depending on delivery capacity, WFP will provide either unconditional food e-vouchers or unrestricted cash transfers equivalent to 80 percent of the food component of the minimum expenditure basket to people in the “crisis” or “emergency” IPC phases. Both types of CBT, along with in-kind food transfers, will be provided using SCOPE and fingerprint authentication to ensure that support is provided to targeted people. Beneficiaries of e-vouchers will be able to choose from: cereals – rice, pasta, maize, sorghum and wheat flour; pulses – beans and peas; camel meat; goat meat; milk; sugar; fresh fruits; fresh vegetables; dried fruits; vegetable oil; fish; eggs; condiments; and salt. The vouchers will constitute the bulk of CBTs, not only ensuring that targeted beneficiaries can purchase food, but also allowing WFP to track the foods purchased in real time, to monitor supply and demand.

22. In locations where markets are functional but WFP cannot establish a network of retailers, unrestricted CBTs will be provided through financial service providers. With its partners, WFP will continue to track price trends to factor inflation into modality choices. While an increase in the price of local cereals has been observed in recent weeks, the prices of imported pasta and rice, which are popular among the Somali population, have remained stable. Factors including access, pace of scale-up, and support to local markets will be considered, along with cost, to ensure that the most effective solution is chosen to meet beneficiaries' needs.
23. CBTs are expected to represent 50 percent of relief assistance. The country office is scaling up its market monitoring to ensure that CBTs are appropriately utilized. A switch to in-kind assistance will be considered if spikes in prices occur. In 2017, WFP will conduct a gender and protection assessment to inform its operations and identify risks associated with CBTs and requiring mitigation measures.
24. Overall, the relief ration is 80 percent of a full ration: the most vulnerable households will receive 100 percent of a full ration while a lower ration will be provided in areas where other food sources are identified. WFP will continuously monitor implementation to ensure that transfers match beneficiaries' needs, and will revise the ration as necessary.

TABLE 2: REVISED DAILY FOOD RATIONS/CBTs BY ACTIVITY (g/person/day)					
	Relief (80%)	Relief (50%)	FFA	Take-home rations for girls	High- energy biscuits (relief)
Cereals	278	139	417		
Pulses	56	56	56		
Vegetable oil	29	29	29	20	
SuperCereal	56	56	56		
Sugar		3			
CBTs* (USD/person/day)	0.60	0.38	0.75	0.03	
TOTAL	419	280	558		
Total kcal/day	1 631	1 167	2 119		200
% kcal from protein	12	12	12		
% kcal from fat	25	28	22		200
Number of feeding days per month	30	30	30	30	

* In-kind rations will remain as planned while the value of CBTs has been revised according to recent market assessments.

Food Requirements

25. This budget revision adjusts the value of the take-home ration for girls, which was erroneously labelled as a family ration instead of an individual ration in the original PRRO document.

Activity	Food or CBTs	Food (mt)/CBTs (USD)		
		Current	Increase (or decrease)	Revised total
BSF – children 6–36 months	Food	4 320	3 271	7 591
MCHN – children 6–23 months	Food	5 406	3 028	8 434
TSF – children 6–59 months and PLW	Food	14 573	16 847	31 420
MCHN – PLW	Food	15 314	25 092	40 406
FFA – in kind	Food	107 382	(16 887)	90 494
FFA – cash	CBTs	100 693 255	(11 772 314)	88 920 941
FFA – e-vegetables	CBTs	560 633	20 314 884	20 875 517
Relief 80%	Food	2 428	82 308	84 736
Relief 80%	CBTs	2 318 040	103 250 073	105 568 113
Relief 50%	Food	4 532	0	4 532
Relief 50%	CBTs	4 207 870	1 294 729	5 502 599
High-energy biscuits – relief	Food	0	200	200
School meals	Food	36 049	0	36 049
Incentive for girls' attendance	CBTs	39 900 000	(24 750 000)	15 150 000
Incentive for girls' attendance	Food	3 990	0	3 990
MCHN – delivery incentive	Food	7 056	0	7 056
MCHN – delivery incentive	CBTs	6 804 000	0	6 804 000
Wet feeding	Food	47 577	0	47 577
Wet feeding	CBTs	15 116 400	0	15 116 400
Tuberculosis/HIV	Food	1 485	0	1 485
TOTAL	Food	250 112	113 859	363 970
	CBTs	169 600 198	88 337 372	257 937 570

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
Food			
Cereals	41 990	8 007 548	
Pulses	9 306	4 336 516	
Oil and fats	8 135	7 490 860	
Mixed and blended food	54 428	49 949 582	
Total food	113 859	69 784 506	
External transport		10 490 066	
Landside transport, storage and handling		42 070 711	
Other direct operational costs: food		15 222 574	
Food and related costs¹		137 567 857	
Cash-based transfers		88 337 372	
Related costs		8 295 900	
Cash-based transfers and related costs			96 633 272
Direct operational costs			234 201 129
Direct support costs (see Annex I-B) ²			17 971 302
Total direct project costs			252 172 431
Indirect support costs (7.0 percent) ³			17 652 070
TOTAL WFP COSTS			269 824 501

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.

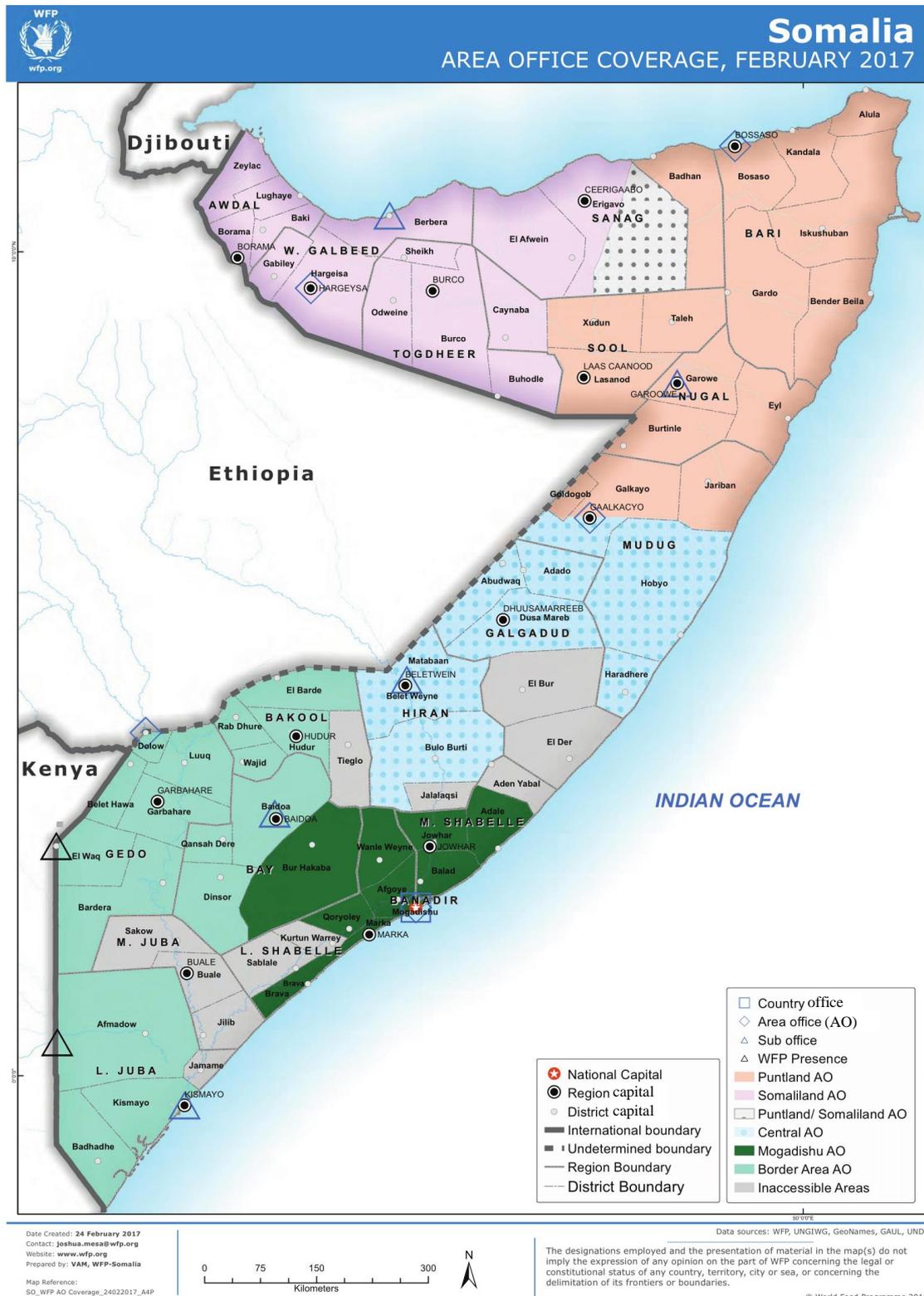
ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (USD)	
Staff and staff-related	
Professional staff	5 678 517
General service staff	2 087 071
Danger pay and local allowances	288 568
Subtotal	8 054 156
Recurring and other	1 824 635
Capital equipment	5 730 508
Security	910 000
Travel and transportation	2 152 003
Assessments, evaluations and monitoring¹	(700 000)
TOTAL DIRECT SUPPORT COSTS	17 971 302

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

ANNEX II

WFP Coverage in Somalia



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

AO	area office
BSF	blanket supplementary feeding
CBT	cash-based transfer
FFA	food assistance for assets
FFT	food assistance for training
IPC	Integrated Food Security and Humanitarian Phase Classification
MCHN	mother-and-child health and nutrition
NGO	non-governmental organization
PLW	pregnant and lactating women
PRRO	protracted relief and recovery operation
TSF	targeted supplementary feeding