

Zambia Country Programme 104470

B/R No.: 4

BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR

| | <u>Initials</u> | <u>In Date</u> | <u>Out Date</u> | <u>Reason For Delay</u> |
|--|-----------------|----------------|-----------------|-----------------------------|
| <u>ORIGINATOR</u> | | | | |
| Country Office or Regional Bureau on behalf of Country Office | | | | |
| <u>CLEARANCE</u> | | | | |
| Project Budget & Programming Officer, RMBP | | | | |
| Chief, RMBP | | | | |
| Chief, ODLT (change in LTSH and/or External Transport) | | | | |
| <u>APPROVAL</u> | | | | |
| <input type="checkbox"/> Regional Director | | | | |

| PROJECT | Previous Budget | Revision | New Budget |
|------------------------------|------------------------|-----------------------|------------------------|
| Food cost | US\$ 23,112,755 | US\$ 1,777,220 | US\$ 24,889,975 |
| External transport | US\$ 905,419 | US\$ 34,786 | US\$ 940,205 |
| LTSH | US\$ 11,483,332 | US\$ 539,324 | US\$ 12,022,656 |
| ODOC | US\$ 4,139,147 | US\$ 203,200 | US\$ 4,342,347 |
| DSC | US\$ 3,441,646 | US\$ 514,964 | US\$ 3,956,610 |
| ISC (7%) | US\$ 3,015,761 | US\$ 214,865 | US\$ 3,230,626 |
| Total WFP cost (US\$) | US\$ 46,098,060 | US\$ 3,284,359 | US\$ 49,382,419 |

| <u>TYPE OF REVISION</u> | | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> Additional commodity | <input checked="" type="checkbox"/> Additional DSC | <input checked="" type="checkbox"/> Additional ODOC | <input checked="" type="checkbox"/> Additional LTSH |
| <input checked="" type="checkbox"/> Additional external transport | <input checked="" type="checkbox"/> Extension in time | <input type="checkbox"/> Other | |

NATURE OF THE INCREASE

1. This fourth budget revision to Zambia Country Programme 104470 seeks to:
 - extend in time by four months from 1st January 2011 to 30 April 2011;
 - increase food commodity plan accordingly by 2,920 mt valued at USD 1.77 million;
 - increase external transport costs by US\$ 34,786;
 - increase land transport, storage and handling costs (LTSH) by US\$ 539,324;
 - increase other operational costs (ODOC) by US\$ 203,200;
 - increase direct support costs (DSC) by US\$ 515,797 and indirect support costs (ISC) by US\$ 214,865.

2. This revision will increase the overall budget by US\$ 3.28 million from US\$ 46 million to US\$ 49.3 million

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of existing project activities

3. The Country Programme (CP) for the period 2007-2010 is based on the Fifth National Development Plan of the Government of Zambia, the United Nations Development Assistance Framework (UNDAF) 2007-2010.
4. The overall goal of the Country Programme is to strengthen the institutional and technical capability of government to provide social safety nets so as to assist hungry poor households, particularly those affected by HIV and AIDS, to meet their education, health and nutrition needs on a sustainable basis, while enhancing their ability to cope with external shocks.
5. This CP thus focuses on three main outcomes, to which all activities contribute:
 - Enhance national capacity to institute and manage successful national food assistance programmes for on-site school feeding, improve health and nutrition and disaster management and mitigation.
 - Greater well-being for the poor and hungry through improved health and nutrition practices and a reconstituted asset base and increased capacity of households and communities to rehabilitate or create and maintain assets;
 - Enhance future income earning capability for children from poor food-insecure households through improved eligibility for further education and vocational training.

Purpose of extension and budget increase

6. The new Country Programme Document (CP 200157) will be submitted for consideration at the November 2010 WFP Executive Board session and for approval at the February 2011 WFP Executive Board session. The implementation of the new Country Programme will only commence on 1st May 2011 given the fact that the Country Office will also have to make the necessary preparation for starting the activities.
7. In view of this and in order to avoid a gap in the continuation of the activities between the current CP and the new one, the Country Office seeks an extension of the current CP for a period of four months (January to April 2011) to enable a smooth transition into the new CP and allow for the preparation time required between the new CP approval and its implementation.
8. The budgetary increase for the four month period is US\$ 3.2 million to cover additional food, external transport, LTSH, ODOC, DSC and ISC.
9. The additional DSC is required for staff salaries, local travel, United Nations Common Services and for the CP evaluation. The additional ODOC requirement is to cover costs for cooperating partners, national capacity building, for home grown school feeding programme and the national nutrition strategy development. The funds will also be used for UNDAF joint programme development and for CP evaluation by the Ministry of Finance and Planning.
10. There are no changes in the beneficiary categories or the geographical areas of assistance during this period of extension.

| TABLE 1. BENEFICIARIES BY ACTIVITY TYPE | | | |
|--|----------------------|-----------------|----------------|
| | Beneficiaries | | |
| Activity | Present | Increase | Revised |
| 104470 ACT 1 | 317,778 | 280,000 | 350,000 |
| 104470 ACT 2 | 438,000 | 3,100 | 441,100 |
| 104470 ACT 3 | 180,000 | 0 | 180,000 |
| Total | 936,178 | 283,100 | 971,100 |

FOOD REQUIREMENTS

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE

| | Food distribution (mt) | | |
|-----------------|-------------------------------|-----------------|----------------|
| Activity | Present | Increase | Revised |
| 104470 ACT1 | 18,295 | 2,464 | 20,759 |
| 104470 ACT2 | 18,168 | 456 | 18,624 |
| 104470 ACT3 | 15,795 | - | 15,795 |
| Total | 52,258 | 2,920 | 55,178 |

11. There are no changes in the programme implementation modalities.

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