



World Food Programme

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PROJECT BUDGET REVISION FOR APPROVAL BY THE CHIEF OF STAFF

5) To:	Division	Room	Approval and Date
Mr. Jim Harvey Chief of Staff	OED	6G36	
4) Through:	Division	Room	Signature and Date
Ms. Elisabeth Rasmusson Assistant Executive Director	PG	6G72	
3) Through:	Division	Room	Signature and Date
Mr. Manoj Juneja Assistant Executive Director	RM	6G00	
2) Through:	Division	Room	Signature and Date
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1) From:	Regional Bureau	Signature and Date	
Abdou Dieng Regional Director	RBD		

MALI PRRO 200719 BR No. 03

Total revised number of beneficiaries	2 989 319
Duration of entire project	1 st January 2015 – 31 December 2017
Extension / Reduction period	-
Gender marker code	2A
WFP food tonnage	149 534

Start date: 01/01/2015 **End date:** 31/12/2017 **Extension/Reduction period:** NA **New end date:** NA

Cost (United States dollars)

	Current Budget	Increase (Decrease)	Revised Budget
Food and Related Costs	US\$ 213 690 185	US\$ (7 218 029)	US\$ 206 472 156
Cash and Vouchers and Related Costs	US\$ 45 638 961	US\$ 5 147 935	US\$ 50 786 896
Capacity Development & Augmentation	US\$ 10 155 619	US\$ 0	US\$ 10 155 619
DSC	US\$ 57 302 992	US\$ 0	US\$ 57 302 992
ISC	US\$ 22 875 143	US\$ (144 907)	US\$ 22 730 236
Total cost to WFP	US\$ 349 662 900	US\$ (2 215 001)	US\$ 347 447 899

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 (%)



NATURE OF THE REVISION

1. *This budget revision provides for the use of cash-based transfers in place of commodity-based assistance in the school meals programme; under this approach, food commodities will be purchased locally by the educational authorities at the local level, and managed at the school level by local school management committee including representatives of the local community and school administrators. It also introduces a mechanism for rapid response to displacement due to conflict or natural disasters. This includes an initial distribution of HEB, based on a 3 day ration, to be distributed at the time of the initial assessment. This will then be followed by a conventional package of assistance based on cash- or food-based transfers using a standard ration/transfer value.*
2. *The transition from food-based to cash-based transfers which result in a reduction in both transfer value and associated costs, as commodity values in Mali are generally below world market levels. This transition will begin with an expanded pilot targeting about 100 schools and will then be extended following completion and evaluation of the pilot phase.*
3. *The intent is to transition to cash-based transfers in 50 percent of the 965 assisted schools beginning with the second half of the 2016/17 school year, and to at least 75 percent of the participating schools at the beginning of the 2017/2018 school year.*
4. *This BR also introduces HEB in the food basket as an initial response for displaced persons, pending the organization of a complete response based on a food- or cash-based transfer. The intent is to provide a 3 day ration of HEB for up to 100,000 people displaced by conflict or natural disasters, through the end of the PRRO.*
5. *This does not necessarily imply a similar addition to a longer-term caseload, as conflict-related displacement in central Mali has generally been short-term in nature while flood-related displacement is also likely to be temporary. The longer term impacts of both conflict and the flooding will be assessed later and may be the subject of an additional budget revision if required.*
6. *This budget revision also aims at revising the LTSH rates. Dues to reported deficits to LTSH, the LTSH rates were previously revised twice to reflect actual operational needs. However, beginning August 2016 the new rates as per the recently approved LTSH matrix were revised downwards and have been considered in this BR.*
7. *Specifically, the budget revision will:*
 - *Decrease in food transfers by 4,348mt valued at USD 2.24 million*
 - *Increase in cash-based transfers by USD 4.32 million;*
 - *Decrease in Landside Transport Storage & Handling (LTSH) by USD 4.2 million and Other Direct Operational Costs (ODOC) by USD 0.68 million; and*
 - *Decrease Indirect Support Costs by USD 144,907*

JUSTIFICATION FOR THE REVISION :



8. *Under this PRRO, WFP provides daily cooked meals in 965 schools, in order to encourage enrolment and attendance, and to discourage the withdrawal of children from school. A key objective of this activity is to facilitate the gradual hand-over of the school feeding programme to the Government, which currently provides school meals in 579 schools, using a cash transfer mechanism similar to the approach to be introduced through this revisions.*
9. *WFP has experimented with cash-based transfers in 5 schools in Koulikoro region, providing cash transfers to local school management committee, which are used to purchase food commodities in local markets. This represents a step towards an approach similar to those used by the Government and the World Bank, which support school meals in 1,159 schools.*
10. *With regard to the proposed package of rapid assistance to populations displaced by conflict or natural disasters, WFP has been providing assistance to persons displaced by conflict since the beginning of the crisis in 2012. Although it had been expected that there would be no new displacement due to conflict in 2017, renewed conflict in the North, and increasing tensions in central Mali, have led to renewed displacement in late 2016.*
11. *It seems probable that this will continue into 2017. As detailed below, a continuation of current trends, and the expected impacts of riverine flooding (which is expected to reach a 50 year high in late 2016/early 2017), could lead to the displacement of up to 100,000 people in the short to medium term.*

Conclusion and recommendation of the re-assessment

12. *Since 2014, there was a significant increase in the school meals caseload with the inclusions of additional schools as part of the emergency response. The size of the overall school meals programme also expanded through the increased number of schools assisted directly by Government using its own resources, and by the entry of the World Bank, which supports over 500 schools using trust fund resources. At the same time, there has been a declining level of donor support for WFP's school meals activity, leading to the decision to reduce the number of schools supported as of the beginning of the 2016/17.*
13. *In terms of the logical next steps with respect to school feeding, there is a need to have a single model that is used by all parties, including the Government. We also need to pursue a credible commitment on the part of the Government to an eventual takeover of the activity. This in turn will probably involve an exercise of re-sizing and re-targeting, including a focus on cost-efficiency and maximizing the benefits created. This transition will be addressed in greater detail in the upcoming CSP.*
14. *The World Bank is leading an effort to develop a country-wide social safety net programme, focusing on poverty and structural issues, as well as the impact of shocks. A well-designed school meals programme could be an element in a broader social safety net. The recent involvement of the World Bank in providing school meals*



in more than 500 schools should be seen in this context. Moving towards the same model as used by Government and the World Bank – involving the use of cash transfers to schools rather than the provision of food commodities – would facilitate incorporating our school meals programme into the broader safety net.

15. *In terms of the logical next steps with respect to school feeding, there is a need to have a single model that is used by all parties, including the Government. We also need to pursue a credible commitment on the part of the Government to an eventual takeover of the activity. This in turn will probably involve an exercise of re-sizing and re-targeting, including a focus on cost-efficiency and maximizing the benefits created. As part of this adjustment, some components originally included in this activity but which have not been implemented – including take home rations and the prevention of micronutrient deficiencies – will no longer be part of the package. This transition will be addressed in greater detail in the upcoming CSP.*
16. *A risk analysis was carried out during the feasibility study and the main contextual, programmatic and institutional risks were identified along with mitigation measures. The main contextual risk is the breakdown of market access due to conflicts or natural disasters and in order to mitigate this risk, WFP has opted for gradual introduction into the less risky areas and with the flexibility to be able to change when conditions are no longer favorable to the use of cash. In addition, the misuse of transferred funds, the purchase of less nutritious products, theft or loss of funds are some programmatic risks that have been identified. To mitigate them, WFP will target schools that are directly accessible by WFP staff or third party monitoring partners to ensure regular monitoring of activities and to provide support to schools on program management. In addition, another level of monitoring is carried out by the CAP, which is the government structure responsible for the supervision of schools at the district level.*
17. *While the scale is lower than in previous years, there is an ongoing emergency situation in the North, where conflict-related displacement continues to occur and security concerns continue to impede access to some areas and beneficiaries. In addition, future emergency episodes are very likely to occur in the near to medium term, and the ability to respond effectively and in a timely manner will be key to maintaining WFP's credibility.*
18. *Ongoing situations which could add substantially to the beneficiary caseload in the short to medium term include the potential for additional displacement in the North, the expected high level of flooding in the inland delta in late 2016/early 2017, and the risk that increasing tensions in Mopti and Segou regions – where the presence and capacity of Government to assert control and provide services is already limited – could lead to significant levels of conflict and displacement. These factors could easily increase the caseload by 165,000 based on relatively conservative estimates:*
 - *The annual flood on the Niger River will reach its peak in November and December, when the Inner Niger Delta is expected to experience the highest level of flooding in more than 50 years. The likely short term impacts include damage to houses, loss of crops, and temporary displacement for those living in the*



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flooded areas. In the medium term, previous flooding episodes have disrupted both the rainfed and recessional harvests, extending the lean season by up to six months.

- *A reasonable but conservative estimate of the population affected in the short term would be 60,000, or about 5 percent of the population of the affected area. It is further assumed that about 45,000 of these will be displaced at least temporarily due to the flooding.*
 - *During July of this year, some 6000 IDPs fled Kidal to seek refuge in Gao region, and another 1200 people were displaced in mid-September. Given the ongoing insecurity in northern Mali, it seems likely that similar levels of displacement are likely to occur periodically in different locations. A reasonable basis for estimating potential requirements would be to plan for five similar events, involving an average of 5000 people per incident or a total of 25,000 during 2017.*
 - *In addition, Mopti and Segou regions have been affected by increasing levels of insecurity over the past few months, as a result of which the area of Government control (and capacity to deliver basic social services) has been shrinking. There is a substantial potential for larger scale displacement in the event of an escalation of insecurity or an attempt to re-establish Government control. Given the greater population density of this area as compared to northern Mali, it seems reasonable to plan for the potential displacement of 10,000 households – equivalent to some 60,000 individuals – through the end of 2017.*
19. *Following an initial pilot, the use of cash-based transfers for the school meals programme will be extended to more than 100 schools in 5 region during the last three months of 2016. Based on outcome of this expanded pilot, the use of cash-based transfers will be extended to additional areas during the second half of the 2016/17 school year. The intent is to complete the transition to cash-based transfers by the end of the 2017/18 school year.*
 20. *In addition to an increase in cost efficiency, the budget will decrease by approx. \$2.6 million, this represents a move towards a common model for school meals, consistent with that of other actors including the Government. It is also expected that this will ensure that the meals provided are consistent with local preferences.*
 21. *Finally, the increased flexibility is expected to improve the diversity – and thus the quality – of the meals provided to students. Based on successful implementation at the pilot level, this approach will be extended to cover additional schools, which the objective of moving towards a single approach for all supported schools.*
 22. *WFP considers protection and accountability towards affected populations (AAP) during its food assistance, in particular in conflict related contexts, by putting female and male crowd control staff in place, undertaking negotiations with armed groups on safety guarantees for those being assisted, communities are consulted on their preferences in regard to transfer modality, and communication channels are put in place that are considered safe, accessible and culturally preferred for communities to lodge complaints and provide feedback. Particular efforts are undertaken to ensure*



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that the most vulnerable groups such as child headed households, persons with disabilities or others have safe and dignified access to food assistance.



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TABLE 1: BENEFICIARIES BY ACTIVITY

Activity	Current			Increase / Decrease			Revised		
	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
GFD									
Natural disaster affected population	74 250	75 750	150 000	0	0	0	74 250	75 750	150 000
Returnees (repatriation package) - Food	38 165	38 936	77 100	0	0	0	38 165	38 936	77 100
Returnees (repatriation package) - Cash Based transfer	12 326	12 575	24 900	0	0	0	12 326	12 575	24 900
IDPs – Food	36 482	37 219	73 700	0	0	0	36 482	37 219	73 700
IDPs – Cash Based transfert	9 851	10 050	19 900	0	0	0	9 851	10 050	19 900
Economically-stressed affected population – Food	189 028	192 847	381 875	0	0	0	189 028	192 847	381 875
Economically-stressed affected population – Cash Based transfer	52 284	53 341	105 625	0	0	0	52 284	53 341	105 625
GFD - Contingency*	-	-	-	49 500	50 500	100 000	49 500	50 500	100 000
Nutrition									
BSF children 6–23 months	146 792	149 757	296 549	0	0	0	146 792	149 757	296 549
BSF PLW	72 261	73 720	145 981	0	0	0	72 261	73 720	145 981
TSF children 6–59 months	482 644	492 394	975 038	0	0	0	482 644	492 394	975 038
TSF PLW	-	144 858	144 858	0	0	0	0	144 858	144 858
TSF Cash for caregivers	300	9 700	10 000	0	0	0	300	9 700	10 000
Pilot stunting prevention 6-23 (Sikasso/MSF)	5 346	5 654	11 000	0	0	0	5 346	5 654	11 000
Pilot stunting prevention 6-23 (SNACK)	15 569	16 466	32 035	0	0	0	15 569	16 466	32 035
Pilot stunting prevention PLW (SNACK)	-	24 789	24 789	0	0	0	0	24 789	24 789
School Feeding									
School meals - Food	124 614	127 131	251 745	(68 348)	(57 524)	(125 872)	56 265	69 608	125 873
School meal - Cash Based Transfer				68 348	57 524	125 872	68 348	57 524	125 872
Take home ration	50 151	51 164	101 315	0	0	0	50 151	51 164	101 315
Recovery Activities									
Food assistance for Assets	353 925	361 075	715 000	0	0	0	353 925	361 075	715 000
GRAND TOTAL	1 663 985	1 877 425	3 541 410	117 847	108 024	225 871	1 663 985	1 877 425	3 541 410
Adjusted Total	1 404 577	1 584 742	2 989 319	49 500	50 500	100 000	1 404 577	1 584 742	2 989 319

FOOD REQUIREMENTS

	GFD - Contingency	School meals
	Revised	Revised
HEB	500	
Cash/voucher (US\$/person/day)		0.18
TOTAL		
Total kcal/day	2250	
% kcal from protein	11	
% kcal from fat	30	
Number of feeding days	3	180

Activity [or Component]	Commodity / Cash & voucher	Food requirements (mt) Cash/Voucher (US\$)		
		Current	Increase / Decrease	Revised total
GFD	Food	76 616	240	76 856
	Cash & Voucher	\$ 18 390 000	0	\$ 18 390 000
FFA	Food	16 588	0	16 588
	Cash & voucher	\$ 18 470 833	0	\$ 18 470 833
BSF	Food	11 935	0	11 935
School Feeding	Food	35 580	(4 588)	30992
School Feeding	Cash & Voucher	\$ -	\$ 4 329 760	\$ 4 329 760
TSF	Food	10 136		12 553
TSF Cash for caregivers	Cash & voucher	155 556		155 556
Pilot stunting prevention 6-23 (Sikasso/MSF)	Food	79		79
Pilot stunting prevention 6-23 (SNACK)	Food	530		530
Pilot stunting prevention PLW (SNACK)	Cash & voucher	991 560		991 560
Total	Cash & voucher	38 007 949	4 329 760	42 337 709
	Food	153 882	(4 348)	149 534

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>			
Cereals	(3 585)	(1 864 200)	
Pulses	(717)	(413 673)	
Oil and fats	(239)	(271 058)	
Mixed and blended food - HEB	240	312 000	
Others	(47)	(4 700)	
Total Food Transfers	(4 348)	(2 241 631)	
External Transport		(83 719)	
LTSH		(4 207 754)	
ODOC Food		(684 925)	
Food and Related Costs ¹			(7 218 029)
C&V Transfers		4 329 760	
C&V Related costs		818 175	
Cash and Vouchers and Related Costs			5 147 935
Capacity Development & Augmentation			0
<i>Direct Operational Costs</i>			(2 070 094)
Direct support costs (see Annex I-B)			0
Total Direct Project Costs			(2 070 094)
Indirect support costs (7.0 percent) ²			(144 907)
TOTAL WFP COSTS			(2 215 001)

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

² 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 *	0
General service staff **	0
Danger pay and local allowances	0
Subtotal	0
Recurring and Other	0
Capital Equipment	0
Security	0
Travel and transportation	0
Assessments, Evaluations and Monitoring	0
TOTAL DIRECT SUPPORT COSTS	0