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Operational matters

For information

Executive Board documents are available on WFP's website (<http://executiveboard.wfp.org>).

Budget increase for Egypt country programme 200238

Cost (United States dollars)			
	Current budget	Increase	Revised budget
Food and related costs	90,386,290	10,347,283	100,733,572
Cash-based transfers and related costs	19,700,047	3,590,000	23,290,047
Capacity development and augmentation	23,754,236	2,432,857	26,187,094
Total cost to WFP	168,469,594	20,400,824	188,870,418

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 20,400,824 for Egypt country programme 200238 for a six-month extension of the programme from 1 January to 30 June 2018.

6 November 2017

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Nature of the increase

1. This fifth budget revision (BR05) will extend Egypt country programme 200238 by six months, maintaining current activities in the areas of food security, nutrition, livelihood support, climate-change adaptation and government capacity strengthening in line with the Government of Egypt's development priorities. The extension will align the country programme with the period of the transitional interim country strategic plan (T-ICSP), from 1 January to 30 June 2018, providing the Egypt country office sufficient time to undertake further consultations with relevant government entities, United Nations agencies and other stakeholders on the preparation of a country strategic plan (CSP) for submission to the Executive Board in June 2018.
2. The budget revision will maintain the total number of beneficiaries served, although the number of beneficiaries served during the six-month duration of the T-ICSP will decrease slightly. The overall orientation of the country programme will remain unchanged.
3. Specifically, the budget revision will:
 - reduce the number of beneficiaries served during the extension period to 1,113,000 (500,000 men and boys; 613,000 women and girls);
 - increase total commodity requirements by 12,042 mt;
 - increase total cash-based transfer (CBT) requirements by USD 3.2 million;
 - increase capacity development and augmentation costs by USD 2.4 million; and
 - increase direct support costs by USD 2.7 million.

Justification for extension and budget increase

Summary of existing project activities

4. Since 2011, a series of internal and external shocks have reduced Egypt's economic growth rate from an average of 6 percent to a low of 2 percent in 2014. Economic pressures contributed to inflation in the price of basic foods and commodities and increased food insecurity and poverty for millions of Egyptians. In 2015, 27 percent of the population was below the national income poverty line, up from 19 percent in 2005.¹
5. The country programme aims to ensure food security, adequate nutrition and the livelihoods of Egypt's most vulnerable people by strengthening the capacity of national institutions to respond to food security risks, enhancing access to education, combating child labour and building the resilience of vulnerable groups. Specifically, the country programme comprises four components: strengthening national institutions that support food security through capacity development programmes and training; enhancing access to education and combating child labour through school meals and livelihood activities and providing technical assistance and capacity development to the Government in its efforts to combat child labour; building the resilience of vulnerable groups through practical solutions for climate change adaptation and technical advice to the Government and cooperating partners; and supporting nutrition for vulnerable and food insecure people, in particular pregnant and lactating women (PLW).
6. Through component 1, on strengthening institutional capacities, WFP supports the Central Agency for Public Mobilization and Statistics (CAPMAS) in enhancing the national Household Income, Expenditure and Consumption Survey, through which WFP can better inform programming and build the capacity of government staff involved in research on food security. In 2016, WFP provided CAPMAS with technical and financial support in the development of a geospatial portal for food and nutrition security and disaster management, offering shared information and access to evidence on which to base food and nutrition policy decisions. In addition, WFP participates in the Food Policy Advisory Board, led by the Ministry of Agriculture and Land Reclamation and the Food and Agriculture Organization of the United Nations.

¹ WFP Egypt, 2017. Egypt Food Security Review (draft).

7. Component 2 covers WFP's school meals activities, whereby WFP provides technical assistance and capacity development to support the Government's school meals programme and fills in gaps in coverage by providing school meals to 335,000 girls and 275,000 boys in targeted areas. School meals activities, including in-school snacks and monthly take-home entitlements, reduce short-term hunger and enhance children's access to education by helping families reduce dependency on negative coping strategies such as child labour and early marriage. Nationwide, 6 percent of girls aged 15–17 are married.² Overall, the provision of take-home entitlements gives families incentives to ensure that their children attend school regularly and without missing school days, directly and indirectly contributing to addressing issues of early marriage, teenage pregnancy and related problems. WFP provides take-home entitlements as food or CBTs, increasingly using e-vouchers in lieu of food to reach 20 percent of schoolchildren and their families. The slight reduction in school meals beneficiaries during the extension period reflects the targeted figures under the T-ICSP and the completion of the Combating Worst Forms of Child Labour Project in 2015.
8. Component 3 supports vulnerable smallholder farmer and Bedouin communities by building their resilience and supporting their livelihoods, which is especially important as Upper Egypt stands to lose up to 30 percent of its food production capacity by 2050 as a result of climate change. WFP supports smallholder farmers through sustainable agriculture solutions, new adaptive farming techniques and augmented income sources. The Ministry of Agriculture and Land Reclamation has noted that adaptive farming techniques have enabled farmers to increase their productivity by 60 percent and their income, in some areas, by up to 80 percent. Activities include food assistance for assets for Bedouin communities and individual capacity strengthening activities for women and men alike. WFP ensures that women and girls participate on an equal footing with men and boys and are brought into the decision-making process in accordance with WFP's gender policy for 2015–2020.
9. Component 4 focuses on providing nutrition support to vulnerable and food insecure people, in particular PLW and children aged 6 to 23 months. WFP signed a partnership agreement with the Ministry of Social Solidarity, the Ministry of Health and Population, and the Ministry of Supply and Internal Trade focusing on the health and nutrition status of PLW from the most vulnerable communities. In preparation for this project, WFP, in collaboration with the Ministry of Health and Population, conducted a "knowledge, attitudes and practices" survey in 500 households in Sohag governorate to assess the degree of awareness and usual practices of PLW; it will also carry out supplementary nutrition focused activities, including awareness raising activities on issues such as breastfeeding, dietary habits, hygiene and sanitation. WFP is also supporting the expansion of a national campaign to reduce the incidence of intestinal worms, which contribute to malnutrition.

Purpose of extension and budget increase

10. The budget revision will extend the duration of the country programme so as to provide uninterrupted support for WFP's existing activities and beneficiary groups for the duration of the T-ICSP. This extension will further allow WFP to align its work with the 2030 Agenda for Sustainable Development, Egypt's Vision 2030 and the work of other development actors, in particular United Nations entities.
11. During this period, WFP will engage in strategic consultations to inform Egypt's forthcoming CSP, which will be presented to the Executive Board in June 2018.

² CAPMAS – Egypt in Figures 2016.

TABLE 1: BENEFICIARIES BY COMPONENT AND ACTIVITY										
Activity		Current (BR04)			Planned during the extension period (Jan–Jun 2018)			Revised total (highest planned during the project)		
		Number of beneficiaries								
		Men/ boys	Women/ girls	Total	Men/ boys	Women/ girls	Total	Men/ boys	Women/ girls	Total
Component 2: Enhance access to education										
<i>In-school snacks</i>	Rural public schools	147 500	179 500	327 000	147 500	179 500	327 000	147 500	179 500	327 000
	Urban public schools	73 500	89 500	163 000	73 500	89 500	163 000	73 500	89 500	163 000
	Community schools (non-EU funded)	21 000	25 000	46 000	9 000	11 000	20 000	21 000	25 000	46 000
	Community schools (EU funded)	45 000	55 000	100 000	45 000	55 000	100 000	45 000	55 000	100 000
	Subtotal	287 000	349 000	636 000	275 000	335 000	610 000	287 000	349 000	636 000
Take-home entitlements* (EU + non-EU)	281 000	315 000	596 000	216 000	264 000	480 000	281 000	315 000	596 000	
CWCLP	40 000	40 000	80 000	-	-	-	40 000	40 000	80 000	
Component 2 total	608 000	704 000	1 312 000	491 000	599 000	1 090 000	608 000	704 000	1 312 000	
Component 3: Build resilience of vulnerable groups										
FFA support for vulnerable rural communities	4 000	4 000	8 000	4 000	4 000	8 000	4 000	4 000	8 000	
Component 3 total	4 000	4 000	8 000	4 000	4 000	8 000	4 000	4 000	8 000	
Component 4: Support for nutrition										
Children aged 6–23 months	5 000	5 000	10 000	5 000	5 000	10 000	5 000	5 000	10 000	
PLW	-	5 000	5 000	-	5 000	5 000	-	5 000	5 000	
Component 4 total	5 000	10 000	15 000	5 000	10 000	15 000	5 000	10 000	15 000	
Grand total	617 000	718 000	1 335 000	500 000	613 000	1 113 000	617 000	718 000	1 335 000	

* In order to avoid double counting, beneficiaries of take-home entitlements include only family members and exclude schoolchildren, who are already counted as beneficiaries of in-school snacks for community schools.

CWCLP = Combating Worst Forms of Child Labour Project; EU = European Union; FFA = food assistance for assets.

TABLE 2: REVISED FOOD RATION BY ACTIVITY AND COMPONENT (g/person/day)			
Activity	Component 2		Component 3
	School meals programme – in-school snacks	School meals programme – take-home entitlements	Asset creation and livelihood support activities
Cereal – rice		66.67	
Cereal – wheat flour			222.22
Mixed and blended food	80.00		
Oil and fats		6.13	20.00
Total	80.00	72.80	242.22
kcal per day	360	288	977

Food requirements

TABLE 3: FOOD AND CASH-BASED TRANSFER REQUIREMENTS BY COMPONENT				
Component	Commodity/ cash and voucher	Food requirements (mt) CBTs (USD)		
		Current	Increase	Revised total
Component 2	Food	97 750	11 954	109 704
Component 2	CBTs	5 496 000	1 200 000	6 696 000
Component 3	Food	1 013	87	1 100
Component 4	CBTs	2 640 000	1 980 000	4 620 000

Hazard/risk assessment and preparedness planning

12. Egypt has recently undergone a series of transformational economic reforms, including the free float of the Egyptian pound and the introduction of value added tax. In the long term, these reforms aim to make growth more inclusive and address long-standing national challenges. In the short term, they contribute to increasing food security and reducing poverty across the country. WFP will continue to monitor vulnerability indicators and food prices so as to adjust assistance provided to ensure that purchasing power is maintained for the most vulnerable beneficiaries.
13. Sufficient funding is needed to sustain programme activities. Funding shortfalls will be mitigated by continuing to work with existing donors, seeking to broaden the funding base with non-traditional donors, such as the private sector and foundations, and strengthening joint fundraising with other United Nations entities. WFP's strong existing partnership with the Government provides a good opportunity for joint resource mobilization efforts.

ANNEX I-A

BUDGET REVISION COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
Food			
Cereals	7 280	3 268 000	
Oil and fats	670	850 392	
Mixed and blended food	4 092	5 319 600	
Total food	12 042	9 437 992	
Other direct operational costs – food		909 291	
Food and related costs¹			8 175 698
CBTs			3 180 000
CBT-related costs			410 000
CBTs and related costs			3 590 000
Capacity development and augmentation			2 432 857
Direct operational costs			16 370 140
Direct support costs (see Annex I-B) ²			2 696 050
Total direct project costs			19 066 190
Indirect support costs (7.0 percent) ³			1 334 633
TOTAL WFP COSTS			20 400 824

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)	
WFP staff and staff-related	
Professional staff	1 112 993
General service staff	244 457
Subtotal	1 357 450
Recurring and other	347 000
Capital equipment	114 300
Security	21 300
Travel and transportation	306 000
Assessments, evaluations and monitoring¹	550 000
TOTAL DIRECT SUPPORT COSTS	2 696 050

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

ANNEX II

Map of Egypt



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

BR	budget revision
CAPMAS	Central Agency for Public Mobilization and Statistics
CBT	cash-based transfer
CSP	country strategic plan
PLW	pregnant and lactating women
T-ICSP	transitional interim country strategic plan