

Distribution: General
Date: 20 October 2017
Original: English

Agenda item 7
WFP/EB.2/2017/7-C/3/4
Operational matters
For information

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Budget increase for Chad protracted relief and recovery operation 200713

Cost (United States dollars)			
	Current budget	Increase	Revised budget
Food and related costs	217,936,656	64,884,253	282,820,909
Cash-based transfers and related costs	90,119,067	41,812,284	131,931,351
Capacity development and augmentation	3,659,780	1,541,373	5,201,153
Total cost to WFP	404,907,255	136,418,408	541,325,664

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 136,418,408 for Chad protracted relief and recovery operation 200713 for a 12-month extension of the operation from 1 January to 31 December 2018.

19 October 2017

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Nature of the increase

1. This budget revision extends Chad protracted relief and recovery operation (PRRO) 200713 until 31 December 2018, maintaining existing activities and establishing a transitional framework to facilitate the shift to Chad's first country strategic plan, informed by a national zero hunger strategic review, by 1 January 2019.
2. Specifically, this revision will increase:
 - food transfers by 60,888 mt (at a cost of USD 28.5 million);
 - cash-based assistance by USD 34.6 million;
 - external transport, landside transport, storage and handling costs and other direct operational costs related to food and cash-based transfers (CBTs) by USD 43.6 million;
 - resources for capacity development and augmentation by USD 1.5 million; and
 - indirect support costs by USD 8.9 million.

Justification for extension and budget increase

Summary of existing project activities

3. PRRO 200713 builds resilience, protects livelihoods and reduces malnutrition among vulnerable groups. Specifically, the PRRO provides for general food distribution to food-insecure refugees from the Sudan and the Central African Republic, Chadian returnees from the Central African Republic and other vulnerable groups; targeted supplementary feeding for children aged 6–59 months receiving treatment for moderate acute malnutrition and malnourished pregnant and lactating women;¹ malnutrition prevention activities for children aged 6–23 months and pregnant and lactating women; asset-creation activities for chronically food-insecure households; and technical assistance to strengthen government capacity in early warning, food security and nutrition monitoring and reduction of child undernutrition.
4. The PRRO is in line with WFP's policy on resilience for food security and nutrition and gender policy. It contributes to WFP Strategic Objectives 1, 2 and 3 and Sustainable Development Goals 2, 5 and 17. It supports the Government's strategy for improved food security and is aligned with national nutrition policies.

Conclusion and recommendations from the reassessment

5. Chad, a low-income, food-deficit country, had a population of 14.2 million in 2016, of which 51 percent were women and 55 percent under 18. Forty-seven percent of the population lives below the national income poverty line. Since 2014, the socio-economic situation has deteriorated due mainly to the combined effects of a sharp drop in the price of oil combined with declining oil production; and engagement in several regional security crises involving Cameroon, Mali, the Niger and Nigeria.² Burdened by poverty, food insecurity and malnutrition, Chad is host to large numbers of refugees and returnees as well as large numbers of internally displaced persons (IDPs) in the Lake Chad Basin fleeing violence and insecurity that have plunged the region into a humanitarian crisis.³
6. Food insecurity remains widespread, especially during the Sahelian lean season. The "Cadre Harmonisé" of March 2017 estimated that 900,000 people across 17 departments would be moderately or severely food-insecure (Cadre Harmonisé phases 3 and 4) during the 2017 lean season, while another 2.6 million would be under stress (Cadre Harmonisé phase 2). Regions with the highest vulnerability (integrated context analysis level 1) are the worst affected. They include Barh El Gazal, Batha, Kanem, Northern Guera, Ouaddai and Wadi Fira.

¹ Targeted supplementary feeding is implemented jointly with the United Nations Children's Fund (UNICEF).

² WFP. Regional Bureau Dakar Markets Update: June 2017. Available at <http://bit.ly/2sHz3HA>.

³ WFP. 2016. *Lake Chad Basin Desk Review: Socio-economic analysis of the Lake Chad Basin Region, with focus on regional environmental factors, armed conflict, gender and food security issues*. Available at <http://bit.ly/2wsxIsJ>.

Major factors contributing to the prevailing high levels of food insecurity include households' reduced purchasing power due to the fiscal and economic crisis, and market and trade disruption resulting from insecurity in neighbouring countries.

7. Chad is ranked 185th of 188 countries in the Gender Inequality Index. Women are disproportionately affected by food insecurity, with 37 percent of households headed by women being moderately or severely food insecure.⁴ Women have little access to land ownership compared to men (14 percent compared to 51 percent) and weak decision-making power (only 17 percent of women are involved in key decisions regarding their health or major household expenditures). On average, girls are less educated than boys and more likely to leave school prematurely, further widening the education gender gap.^{5,6} Gender-based violence is prevalent: 29 percent of women have experienced physical violence.⁷
8. The acute malnutrition rate remained high (11.9 percent)⁸ in August and September 2016. Rates of chronic malnutrition were similarly high (29 percent),⁹ with significant regional disparities. The nutritional condition of refugees differs significantly by region and place of origin, with that of Sudanese refugees in northeastern camps of particular concern. Moreover, anaemia rates among children aged 6–59 months and pregnant and lactating women remain a cause for concern, as does chronic malnutrition, which affects over 40 percent of children aged 6–59 months in camps.
9. The high prevalence of malnutrition is strongly correlated with food insecurity, poverty, inappropriate nutrition practices, insufficient access to and use of basic health services and poor living conditions. A Cost of Hunger in Africa study carried out by the Government with support from WFP and in collaboration with the African Union concluded that 43 percent of child mortality was related to malnutrition.¹⁰
10. Since 2003, Chad has hosted a steady influx of refugees, mainly from the Sudan, Central African Republic and Nigeria. Some 387,000 refugees (56 percent women and 58 percent children under 18¹¹), 87,000 returnees and 105,000 IDPs were living in Chad as of October 2016.¹² These displacements affect host communities, which are estimated to comprise 734,000 people.¹³ A joint assessment mission carried out by the Office of the United Nations High Commissioner for Refugees (UNHCR) and WFP in the first half of 2016 confirmed that food assistance remained the main source of food for refugees.
11. The July 2016 mid-term evaluation of the PRRO determined that its strategy and design were relevant in terms of geographic targeting, socio-economic activities and intervention modalities to assist those most vulnerable to food and nutrition insecurity.

⁴ WFP and others. 2016. *République du Tchad: Enquête nationale sur la sécurité alimentaire (ENSA)*. Available at http://documents.wfp.org/stellent/groups/public/documents/ena/wfp284152.pdf?_ga=2.163676669.336945393.1506950803-298904814.1505738065.

⁵ United Nations Educational, Scientific and Cultural Organization. 2016. *Tchad: Rapport d'état du système éducatif national: Éléments d'analyse pour une refondation de l'école*. Available at <http://unesdoc.unesco.org/images/0024/002474/247447f.pdf>.

⁶ Institut national de la statistique, des études économiques et démographiques and ICF International. 2016. *Enquête démographique et de santé et à indicateurs multiples au Tchad 2014–2015*. Available at <https://dhsprogram.com/pubs/pdf/FR317/FR317.pdf>.

⁷ *Ibid.*

⁸ Rapport final de l'enquête nationale de nutrition et de mortalité. Rétrospective au Tchad, août-septembre 2016.

⁹ *Ibid.*

¹⁰ Chad Cost of Hunger country study, 2016. Available at https://static1.squarespace.com/static/527789a2e4b0a23a823e44cd/t/5807543b9de4bb8d17024bb9/1476875369146/CHAD_Report+final2email+%281%29.pdf.

¹¹ UNHCR, WFP joint assessment mission, 2016. Available at <http://www.wfp.org/content/tchad-mission-evaluation-hcr-pam-situation-refugies-centrafricains-soudanais-novembre-2016>

¹² United Nations Office for the Coordination of Humanitarian Affairs, Humanitarian Needs Overview, Chad, 2017 – data from UNHCR. Available at https://www.humanitarianresponse.info/system/files/documents/files/tcd_str_hno2017_fr_20161216.pdf

¹³ *Ibid.*

Purpose of extension and budget increase

12. This 12-month extension will ensure continuity of WFP operations during the development of Chad's first country strategic plan, which is expected to take effect on 1 January 2019. WFP plans to assist 1.5 million beneficiaries during 2018.
13. Under PRRO 200713, the country office will continue to:
 - support humanitarian response by providing life-saving assistance to the most vulnerable, including refugees, returnees and host communities in eastern and southern areas, while scaling up early-recovery and resilience-building activities;
 - support the national social protection system by strengthening WFP's position as a key partner of the Government and other actors, such as the World Bank, in strengthening capacity in areas such as targeting and beneficiary information management;
 - step up the focus on preventing malnutrition while maintaining life-saving treatment for malnutrition in the Sahelian regions of Chad and other emergency contexts;¹⁴ and
 - maintain an integrated food security and nutrition approach during the lean season, providing food or cash-based transfers to severely food-insecure households combined with preventive nutritional support for vulnerable children aged 6–23 months and pregnant and lactating women.

¹⁴ The emphasis will be on identifying alternative delivery channels, including community-based platforms, and strengthening nutrition-sensitive interventions, as contemplated by the joint WFP-UNICEF response plan. Stunting will be addressed in targeted areas through a preventive, multi-sectoral approach aiming to provide a complete package of complementary interventions to children aged 6–23 months and pregnant and lactating women. The possibility of integrating complementary services such as primary health care, immunization, water and sanitation and reproductive health into the blanket supplementary feeding platform will be explored. WFP will continue working with the Food and Agriculture Organization of the United Nations, UNICEF and the World Health Organization to promote complementary feeding through pilot projects for local production of fortified complementary food for young children.

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
General food distribution	Refugees (Sudan and Central African Republic)	213 463	252 992	466 455	167 927	199 024	366 951	253 472	259 629	513 101
	Returnees	43 791	47 320	91 111	49 205	53 170	102 375	49 140	53 235	102 375
Seasonal assistance	Vulnerable populations	417 793	453 627	871 420	192 660	197 340	390 000	438 169	474 683	912 852
Asset creation	Displaced and host populations	153 000	337 000	490 000	97 308	102 692	200 000	260 640	282 360	543 000
Prevention of acute malnutrition (blanket supplementary feeding)	Children 6–23 months	111 600	113 400	225 000	34 720	35 280	70 000	124 800	131 040	260 000
	Pregnant and lactating women	-	133 000	133 000	-	30 000	30 000	-	142 000	142 000
MAM treatment (targeted supplementary feeding)	Children 6–59 months	281 220	296 780	578 000	97 308	102 692	200 000	294 440	310 160	604 600
	Pregnant and lactating women	-	72 000	72 000	-	36 000	36 000	-	72 000	72 000
	Caregivers and volunteers	5 760	29 240	35 000	2 304	11 696	14 000	5 600	29 400	35 000
Prevention of chronic malnutrition	Children 6–23 months	48 000	52 000	100 000	24 000	26 000	50 000	60 000	65 000	125 000
	Pregnant and lactating women	-	-	-	-	13 000	13 000	6 422	6 578	13 000
Fortification	Children 6–23 months	-	-	-	26 259	26 682	52 941	26 153	26 788	52 941
Total		1 274 627	1 787 359	3 061 986	691 691	833 576	1 525 267	1 522 996	1 852 873	3 375 869
Total (excluding overlap)		1 163 027	1 540 959	2 703 986	656 971	768 296	1 425 267	1 394 036	1 579 833	2 973 869

14. In-kind and cash-based transfers alike will be used to provide unconditional and conditional assistance, cash-based transfers being used where market conditions are favourable (supported by market studies)^{15,16,17} and can absorb additional demand without creating disruptions.
15. Food assistance for assets activities will also be extended to host communities as well as to refugees and returnees from the Sudan and the Central African Republic with a view to promoting self-reliance and a transition to sustainable solutions. Twenty-five percent of refugees and returnees living in areas with potential for such activities will be included in resilience-building schemes for a three-month period and then assisted through unconditional in-kind or cash-based transfers for the rest of the year. This proportion takes into account the level of funding and the ability of cooperating partners to scale up these activities while ensuring their quality. Evidence generated from ongoing food assistance for assets activities will be used to advocate for more resources and progressively scale up this strategy. Refugees and returnees will be involved in asset-creation projects starting from their inception through their inclusion in community-based participatory planning exercises. Assets created may include multi-purpose water-control structures; community and school gardening schemes that contribute to improving food security and nutrition in chronically food-deficit areas, supporting school canteens and generating complementary income for households; and structures to conserve, protect and restore water, soil and vegetation and to protect production sites against erosion.
16. The specific asset typologies and partnership options are determined through a three-pronged approach comprising an integrated context analysis, seasonal livelihood programming and community-based participatory planning exercises.¹⁸ Gender-specific concerns, preferences and capacities will be taken into consideration in the choice of projects and modalities. Specific protection measures are in place for pregnant and lactating women and children, who will not participate in work. The country office will explore the possibility of setting up child-friendly spaces for children who are not yet of school age. Beneficiary feedback mechanisms with a focus on gender, protection and accountability issues, such as feedback committees and hotlines, are established at distribution points. They will continue to be improved and will be included in field-level agreements with partners. A stand-by partner was engaged in July for six months to help the country office with the development and implementation of these initiatives.
17. Performance monitoring will continue to follow established WFP guidelines, making use of country office monitoring and evaluation tools. Data on key output and outcome indicators will be collected from distribution monitoring reports, cooperating partners' reports and post-distribution monitoring reports.

¹⁵ WFP and others. *Étude des marchés en lien avec la sécurité alimentaire au Tchad: juin 2016*. Available at https://docs.wfp.org/api/documents/WFP-0000023090/download/?_ga=2.205154642.336945393.1506950803-298904814.1505738065

¹⁶ WFP and others. *Étude des marchés en lien avec la sécurité alimentaire au Tchad: mars 2017*. Available at <http://www.wfp.org/content/tchad-etude-des-marches-securite-alimentaire-mars-2017>.

¹⁷ Tchad, *Évaluation conjointe de la sécurité alimentaire et des marchés: février 2017*. Available at <http://www.wfp.org/content/chad-evaluation-conjointe-de-la-securite-alimentaire-et-des-marches-fevrier-2017>.

¹⁸ In Chad, the integrated context analysis has been conducted, seasonal livelihood programming is being implemented in 10 different areas of the country and community-based participatory planning is systematically conducted prior to implementing projects. The country office has already initiated community-based participatory planning involving local and displaced communities.

TABLE 2: REVISED DAILY FOOD RATIONS/TRANSFERS BY ACTIVITY (g/person/day)

Commodities	GFD for refugees from the Sudan and Central African Republic		GFD local vulnerable	Prevention acute malnutrition BSF children 6–23 months	Prevention chronic malnutrition children 6–23 months	Prevention acute malnutrition BSF PLW	Prevention chronic malnutrition PLW	TSFP and crisis response children 6–59 months	TSFP PLW	TSF volunteers and caregivers	FFA insecure households	Fortification children 6–23 months
	Full ration	80% ration										
Cereals	425	350	225								450	
Pulses	50	50	50								100	
Oil	25	25	15			25	25		25		25	
Salt	5	5	5								5	
Sugar	15	15	15			20	20		20			
SuperCereal	50	50				200	200		200			
SuperCereal Plus					200			200				
Plumpy'Doz				47								
Micronutrient powder												0.4
Total kcal/day	2 078	1 823	1 400	247	787	1 050	1 050	787	1 050		580	NA
% kcal from protein	13	13	13	10	17	12	12	17	12		14	NA
% kcal from fat	19	20	24	58	23	35	35	23	35		18	NA
Cash-based transfers (USD/person/day)	0.375	0.375								0.4	0.4	
Number of feeding days	360	360	90	120	180	120	180	90	180	240	60	365

BSF = blanket supplementary feeding; FFA = food for assets; GFD = general food distribution; PLW= pregnant and lactating women; TSFP = targeted supplementary feeding programme

Food requirements

TABLE 3: FOOD AND CASH-BASED TRANSFER REQUIREMENTS BY ACTIVITY				
Activity	Commodity/ CBTs	Food requirements (mt)/CBTs (USD)		
		Current	Increase	Revised total
General food distribution – refugees/returnees	Food	138 890	44 315	183 205
	CBTs	43 811 045	27 601 992	71 413 037
General food distribution – vulnerable groups	Food	15 346	4 248	19 594
	CBTs	10 468 458	3 881 250	14 349 708
Asset creation	Food	7 068	3 480	10 548
	CBTs	14 675 000	2 400 000	17 075 000
Treatment of moderate acute malnutrition	Food	12 266	5 188	17 454
Prevention of acute and chronic malnutrition (blanket supplementary feeding)	Food	7 594	3 650	11 244
Volunteers and caregivers	Food	609	-	609
	CBTs	5 740 000	700 000	6 440 000
Fortification	Food	-	8	8
Total food (mt)		181 772	60 888	241 661
Total cash-based transfers (USD)		74 694 503	34 583 242	109 277 745

Hazard/risk assessment and preparedness planning

18. Physical insecurity is a major concern, especially in the areas surrounding Lake Chad (classified as security level 3) and along the Sudanese border. Escorts will be used where needed and implementation and monitoring may be outsourced should deteriorating security limit WFP staff access in the field.
19. An additional risk is the deepening of the economic crisis and associated social unrest. The country office is strengthening its risk-management processes to ensure that risks are monitored closely, that mitigation and preparedness actions are implemented in a timely fashion and that a business continuity plan is in place.

ANNEX I-A

BUDGET REVISION COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
Food			
Cereals	38 840	12 747 936	
Pulses	5 256	2 950 252	
Oil and fats	2 645	3 095 525	
Mixed and blended food	12 215	8 745 263	
Others	1 933	981 394	
Total food	60 888	28 520 369	
External transport			3 702 544
Landside transport, storage and handling			27 339 099
Other direct support costs – food			5 322 240
Food and related costs¹			64 884 253
Cash-based transfers			34 583 242
Cash-based transfers-related costs			7 229 042
Cash-based transfers and related costs			41 812 284
Capacity development and augmentation			1 541 373
Direct operational costs			108 237 910
Direct support costs (see Annex I-B) ²			19 255 930
Total direct project costs			127 493 839
Indirect support costs (7.0 percent) ³			8 924 569
TOTAL WFP COSTS			136 418 408

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	8 109 843
General service staff	4 457 500
Danger pay and local allowances	1 022 000
Subtotal	13 589 343
Recurring and other	1 883 904
Capital equipment	233 000
Security	940 553
Travel and transportation	2 228 165
Assessments, evaluations and monitoring¹	380 965
TOTAL DIRECT SUPPORT COSTS	19 255 930

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

Acronyms used in the document

CBT	cash-based transfer
IDP	internally displaced person
PRRO	protracted relief and recovery operation
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund