

**BUDGET REVISION No 5 TO PROTRACTED RELIEF AND RECOVERY
OPERATION (PRRO) 101273**

	Cost (United States dollars)		
	Present budget	Increase	Revised budget
Food cost	40,216,030	9,666,231	49,882,261
External transport	17,634,055	1,112,551	18,746,606
LTSH	20,867,394	2,730,585	23,597,979
ODOC	1,398,325	108,730	1,507,055
DSC	4,841,794	2,108,235	6,950,029
ISC (7%)	5,947,032	1,100,843	7,047,875
Total cost to WFP	90,904,630	16,827,175	107,731,805

NATURE OF THE INCREASE

1. This budget revision to Ethiopia PRRO 101273 “Food Assistance to Sudanese, Somali and Eritrean Refugees” is in response to the sudden influx of Somali refugees into Ethiopia resulting from the severe drought in Somalia. Meanwhile, as a result of the severity of the food insecurity situation in Somalia, the UN has declared famine in two regions in southern Somalia. This budget revision assures the food needs of refugees to the end of 2011. Specifically the budget revision:
 - Increases the planned beneficiaries by 189,000 refugees to reflect expected inflows;
 - Provides an additional 20,510 mt of food commodities valued at US\$ 9,666,231;
 - Increases external transport, landside transport, storage and handling (LTSH) costs by US\$ 2,730,585
 - Increases other direct operational costs (ODOC) by US\$ 108,730, direct support costs (DSC) by US\$ 2,108,235 and indirect support costs (ISC) by US\$ 1,100,843.
2. The revision increases the budget by US\$ 16,827,175 and overall costs by 18.5 percent.

JUSTIFICATION FOR BUDGET INCREASE

Summary of project activities

3. Ethiopia has been hosting a substantial population of refugees for over 20 years, providing asylum and protection. Numbers have fluctuated significantly because many people who repatriated when conditions improved subsequently returned to Ethiopia when conditions in their homes deteriorated. Access to farmland and employment outside of the refugee camps is highly restricted, leaving refugees almost entirely dependent on relief assistance.
4. The ongoing PRRO 101273 aims to meet the basic nutritional needs of refugees. The specific objectives are to:

- Enable refugees to meet minimum levels of food security through general food distribution (Strategic Objective 1) :
 - Reduce malnutrition through targeted supplementary food distribution to pregnant and lactating women, malnourished children, people living with HIV and AIDS, and other vulnerable refugees with special nutritional needs; including the provision of blanket supplementary feeding when malnutrition rates reach levels of above 15 percent (Strategic Objective 4)
 - Increase school attendance by implementing a school meals programme (Strategic Objective 4)
5. PRRO 101273 provides beneficiaries with monthly general food rations, supplementary food for malnourished children and pregnant and lactating women and other vulnerable groups as well as rations to refugee children attending schools. In addition, the United Nations High Commission for Refugees (UNHCR) and its partners (non-governmental organizations) working in the camps operate therapeutic feeding centers providing Ready-to-Use-Therapeutic-Food, Plumpy nut, fortified blended food and oil to severely malnourished children under their community-based therapeutic feeding programmes.
 6. In August 2010, a budget revision to this PRRO was undertaken to reflect an increased rate of arrival among Somali and Eritrean refugees. By mid-2010, to manage the increase in the numbers of Somali refugees, two new refugee camps had been opened in the Dollo Ado area of Somali region, ie Boqolmayo and Melkadida.
 7. There is currently a Joint UNHCR-WFP Impact Evaluation of Food Assistance in Protracted Refugee Situations in Ethiopia underway; the final report should be available in the coming months.

Conclusion and recommendations of the Re-Assessment

8. Since the beginning of 2011, the influx of Somali refugees into the Dollo Ado area has increased significantly due to severe drought in Somalia, civil unrest and embargoes on humanitarian operations in some parts of the country by some militant groups. The severity of the current food insecurity situation in the country is further reflected in the recent UN declaration of famine in two regions in the south of the country. More than 47,000 refugees have been registered since the beginning of this year, with 24,000 new arrivals alone in the month of June, 20,068 in the month of July, and further increased arrivals in the next months (all UNHCR data). In light of this a third refugee camp (Kobe) was established by UNHCR in the Dollo Ado Area in July 2011, whilst two more camps (Haloweiyin and Buramino) are expected to be opened by September 2011.
9. In March/April 2011 a nutrition and health survey¹ was jointly undertaken by UNHCR, the Government's Administration for Refugees/Returnees Affairs (ARRA), WFP and Medecin Sans Frontieres-Spain (MSF-E) for the Boqolmayo and Melkedida camps. The results showed alarmingly high malnutrition rates which called for immediate intervention. Global acute malnutrition (GAM) rates were as high as 33 percent in Melkedida (Moderate acute malnutrition (MAM) 21.1% and Severe Acute Malnutrition 11.9%) and 33.4 percent in Boqolmayo camp (MAM 22.3% and Severe Acute Malnutrition 11.1%), with peaks for new comers of GAM 45% in Melkadida and 47% in Boqolmayo.

¹ Report of Joint UNHCR, ARRA, WFP and MSF Health and Nutrition Surveys in Bokolmayo and Melkadida conducted from 22 March – 2 April 2010. ARRA is the Administration for Refugees/Returnees Affairs of the Government of Ethiopia

10. The malnutrition rates among refugees in the Dollo Ado area further deteriorated due to the sheer numbers of new arrivals in May/June, their terrible health and nutrition status upon arrival, the difficulty of getting sufficient food rations at pre-registration and transit centres and lack of funding. By the end of June, the GAM rate had reached an unprecedented rate of 50% among children <5

Purpose of budget increase

11. This budget revision is required to address the substantial increase in food needs of refugees in Ethiopia as a result of the heavy influx of Somali refugees into south-eastern Ethiopia (Dollo Ado area). Overall, UNHCR estimates an increase of 189,000 new refugee arrivals in the country between July and December 2011, of which 160,000 will be arrivals into the Dolo Ado area camps, and the balance representing the estimated increase in arrivals into other refugee camps in the country. The total number of refugees in the country by the end of 2011 is estimated by UNHCR to be 415,000.

TABLE 1 : BENEFICIARIES BY ACTIVITY TYPE			
	Beneficiaries		
Activity	Present	Increase	Revised
General feeding	226,000	189,000	415,000
Of which:			
Supplementary feeding			
- Children age 6 to59 M	4,590	13,800	18,390
- Children aged 5-18 years, adults and elderly	0	3,700	3,700
- PLW	4,410	20,500	24,910
Blanket feeding			
- Children age 6 to59 M	0	60,000	60,000
School meals	29,000	76,000	105,000
Total	226,000	189,000	415,000

12. This budget revision replaces the regular food ration for the Targeted Supplementary Feeding component with Supplementary Plumpy until the end of the year for a total of 13,800 beneficiaries. In addition, a provision of 300g per person of high-energy-biscuits (HEB) will be distributed at the pre-registration centre to all new refugees on their first day. This will provide immediate assistance until the new arrivals receive their first hot meals and blanket supplementary feeding. (See Table 2 below)
13. Blanket supplementary feeding will be introduced wherever the GAM is above 15 percent for all children aged 6-59 months. The nutritional strategy agreed by UNHCR, WFP and ARRA is to provide Super Cereal. A follow-up survey on the nutritional status of children <5 will be conducted in October 2011 to measure progress and see whether the blanket supplementary feeding could be stopped.
14. Supplementary feeding will be continued for all pregnant and lactating women (with a premix of Super Cereal, sugar and vegetable oil) by WFP and ARRA to prevent additional deterioration of the situation and until malnutrition rates have decreased to 'normal' levels.

15. The budget revision will also continue support for the school meals programme in the refugee camps. The primary objective of this programme in the refugee camps is to enable households to invest in human capital through education, contributing to increased school enrolment and improved school attendance of boys and girls. Currently the school meals programme is operational in seven refugee camps. The plan is to expand the programme to all twelve present camps. Hot meals will be provided through on-site feeding at schools during morning and afternoon breaks. There will be no take-home rations owing to strong resistance from partners in the past. The issue of insufficient school infrastructure and school learning materials in the camps, especially the Dollo Ado area camps, is being addressed through investments in these issues by UNHCR and ARRA and by some NGOs, particularly Save the Children-US.

16. This budget revision also foresees an increase in direct support costs related to the establishment of a new office/guesthouse in Dollo-Ado to deal with this emergency. The CO is budgeting for a P4 Head of field-office, two P3 Programme Officers (in Dollo Ado and Addis Ababa respectively) and two P3 Logistics Officers (in Dollo Ado and Nazareth respectively). In addition, budgetary provisions have been made through this budget revision for a number of national staff positions, including food monitors, logistics assistants and drivers. Increased DSC will also be needed to ensure that the new office is MOSS compliant, and that all necessary communications are established.

TABLE 2: REVISED DAILY FOOD RATION FOR SUPPLEMENTARY AND SCHOOL FEEDING (g/person/day)

	School Feeding	Targeted Supplementary Feeding		Blanket Supplementary Feeding		
		Children aged 6-59 months	Children aged 5-18 years, adults and elderly	Arrival ration	Pregnant and lactating women	Children aged 6-59 months
Supplementary		92				
Super Cereal						200
Super Cereal	100		200		200	
Vegetable oil	20		25		25	
Sugar			20		20	
High energy				300		
TOTAL		92	245	300	245	200
Total kcal/day	577	500	1,101	1,350	1,101	840
Number of feeding days per year or per month (as applicable)	22 days/Month	90 days/Year	30 days/Month	1 day/Year	30 days/Month	30 days/Month

FOOD REQUIREMENTS

17. The total additional food requirement is 20,510 MT. Table 3 provides the breakdown of additional food tonnage and total PRRO tonnage by activity.

TABLE 3: FOOD REQUIREMENTS BY ACTIVITY			
	Food requirements (mt) Cash/voucher (US\$)		
Activity	Current	Increase	Revised total
General feeding	118,807	16,749	135,556
Supplementary feeding	2,178	983	3,161
Blanket feeding	0	1,919	1,919
School meals	1,555	860	2,415
TOTAL	122,540	20,510	143,050

18. WFP's PRRO is implemented through ARRA. ARRA coordinates the provision of assistance, administers the refugee camps and provides overall security. In addition, ARRA receives, stores, and distributes WFP-supplied food commodities in all refugee camps, while WFP provides warehouses and warehouse management training. ARRA is also in charge of the blanket feeding for all children under-five. Food dispatches will be monitored through COMPAS (Commodity Movement, Processing and Analysis System), WFP's food delivery tracking system. WFP monitors will check the condition of warehouses at the refugee camps, monitor monthly food distributions, and conduct quarterly post-distribution monitoring. UNHCR and ARRA are jointly responsible for registering new refugees as they arrive and for continuous verification at the refugee camps to confirm their numbers.

RISK ASSESSMENT AND CONTINGENCY PLANNING

The main risks identified are:

19. Contextual risks: Continuing drought in the Horn of Africa, particularly in Somalia will continue to destabilize local domestic agricultural production, threaten assets and livelihoods, increase acute food insecurity and, as a result continue to drive more and more Somalis across the border into refugee camps in Ethiopia. Similarly, continuing insecurity in southern Somalia will continue to act as a catalyst for more Somalis to cross the border into Ethiopia. WFP is engaged in regular contingency planning with UNHCR and ARRA and is a member of the inter-agency coordination mechanisms for emergency preparedness, particularly for the refugee camps in the Somali Region.
20. Weak government implementation capacity (especially ARRA), within the context of supply chain management and reporting, can lead to inefficiencies in programme response. WFP is proactively engaged discussions with ARRA, to determine areas where capacity building for ARRA could be supported by WFP, at both federal and local levels.
21. Programmatic risks: The issue of complementarity of assistance is key to the success of this refugee operation, especially when it comes to key inputs as non-food items, and with other interventions in the area of health, water and sanitation. The context of refugees occasionally monetizing their rations to cover shortfalls in other types of assistance,

particularly non –food items, can quickly lead to cases of ration insufficiency which in turn might affect their food security. WFP, working with UNHCR and ARRA, will increase its advocacy related to the provision of complimentary assistance for the refugees.

22. Institutional risks: The lack of timely, predictable resources is being addressed by increasing joint programme implementation, ensuring a close working relationship with the Government, more frequent interaction with donors on the funding of refugee operations, and improved monitoring and reporting of results.

Approved by:

Executive Director, WFP

Date:

ANNEX I A

BUDGET INCREASE COST BREAKDOWN			
Food²	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	13,028.88	3,387,509	
Pulses	1,221.46	793,947	
Oil and fats	915.42	1,135,128	
Mixed and blended food	4,396.31	3,288,789	
Others	947.89	1,060,857	
Total food	20,509.95	9,666,231	
Cash transfers		0	
Voucher transfers		0	
Subtotal food and transfers			0
External transport			1,112,551
Landside transport, storage and handling			2,730,585
Other direct operational costs			108,730
Direct support costs ³ (see Annex I-B)			2,108,235
Total WFP direct costs			15,726,332
Indirect support costs (7.0 percent) ⁴			1,100,843
TOTAL WFP COSTS			16,827,175

² This is a notional food basket for budgeting and approval. The contents may vary.

³ Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

⁴ The indirect support cost rate may be amended by the Board during the project.

ANNEX IB

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff-related costs	
International professional staff	428,775
International general service staff	0
Local staff - national officers	0
Local staff - general service	91,500
Local staff - temporary assistance	16,500
Local staff - overtime	0
Hazard pay and hardship allowance	51,930
International consultants	84,325
Local consultants	0
United Nations volunteers	15,000
Commercial consultancy services	0
Staff duty travel	170,500
Subtotal	858,530
Recurring expenses	
Rental of facility	0
Utilities	0
Office supplies and other consumables	0
Communications services	23,500
Equipment repair and maintenance	0
Vehicle running costs and maintenance	22,000
Office set-up and repairs	1,133,105
United Nations organization services	0
Subtotal	1,178,605
Equipment and capital costs	
Vehicle leasing	0
Communications equipment	48,600
Local security costs	22,500
Subtotal	71,100
TOTAL DIRECT SUPPORT COSTS	2,108,235

ANNEX II: Summary of Log Frame Ethiopia: PRRO No. 10127.3

Revised in line with SRF

Results	Performance indicators	Risks, assumptions
Strategic Objective # 1: Save lives and protect livelihoods in emergencies		
<p>Outcome 1.1 Reduced or stabilized acute malnutrition in refugee children and refugee populations in Ethiopia</p>	<p>➤ Prevalence of acute malnutrition among children under 5 (weight-for-height as %).</p> <p>Target: GAM as weight-for-height <-2z score maintained below 10% for all camps.</p>	<p>➤ Partners provide adequate non-food assistance that contributes to improved malnutrition rates.</p> <p>➤ Adequate and timely resources are available from donors.</p> <p>➤ No major disease outbreaks in the camps.</p> <p>➤ UNHCR complementary activities in health, nutrition, water and sanitation are properly funded.</p>
<p>1 Output 1.1 Distribution of food in sufficient quantity and quality to refugees.</p>	<p>➤ Number of women, men, girls and boys receiving food assistance as % of planned figures.</p> <p>Target: 100%</p> <p>➤ Tonnage of food distributed, by type, as % of planned distribution.</p> <p>Target: 100%)</p> <p>Food delivered to all camps by the last day of the month preceding the food distribution.</p> <p>Target:6 out of 6 months</p>	<p>➤ Roads to camps are properly maintained.</p> <p>➤ Access to camps not hampered by insecurity.</p> <p>➤ Refugee caseload is periodically verified.</p> <p>➤ Adequate and timely resources provided by donors to offset fuel and food price increases.</p>

Strategic Objective # 3: Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations

<p>Outcome 2 Reduced acute malnutrition among pregnant and lactating women, malnourished children, PLHIV and other vulnerable refugees with special nutritional needs.</p>	<ul style="list-style-type: none"> ➤ Prevalence of acute malnutrition among children under 5, (weight for height as %), disaggregated by gender. <p>Target: GAM for all children aged 6 – 59 months below 15%</p>	<ul style="list-style-type: none"> ➤ No major disease outbreaks in the camps. ➤ UNHCR and partners have sufficient resources to continue running health and feeding centers. ➤ MNP piloting reduces anemia rates. ➤ Adequate and timely resources provided by donors offset fuel and food price increases.
<p>2 Output 2.1 Provision of supplementary food rations in sufficient quantity and quality to vulnerable individuals.</p>	<ul style="list-style-type: none"> ➤ Number of women, men, girls and boys receiving supplementary food items through blanket distribution by category and as % of planned figures <p>Target: 100%</p> <ul style="list-style-type: none"> ➤ Quantity of supplementary foods and special nutritional products distributed, by type, as % of planned distribution. <p>Target: 100%</p>	<ul style="list-style-type: none"> ➤ Sufficient qualified partner staff running nutrition centers. ➤ Adequate and timely resources provided by donors to offset fuel and food price increases. ➤ Acceptability of special nutritional product by the beneficiaries. .
<p>Outcome 3 Stabilized enrolment of refugee girls and boys in WFP-assisted schools.</p>	<ul style="list-style-type: none"> ➤ Retention rate. <p>Target: As there is no baseline it is difficult to set a target.</p>	<ul style="list-style-type: none"> ➤ Resources from UNHCR are sufficient and consistently available to support complementary activities and provision of NFIs to schools. ➤ Repatriation of refugees will cause minimal disruption in schools and will be contained by UNHCR.

<p>3 Output 3.1 School feeding coverage aligned with programme with work.</p>	<ul style="list-style-type: none"> ➤ Number of refugee girls and boys receiving school feeding rations as % of planned figures. Target: 100% ➤ Tonnage of food distributed in schools, by type, as % of planned distribution. Target: 100% ➤ Number of schools assisted by WFP Target: 10 	<ul style="list-style-type: none"> ➤ NFIs for preparation and serving available in all schools in adequate quantities and appropriate conditions. ➤ Sufficient trained staff available to ensure food is prepared and served daily. ➤ Adequate water and fuel available. ➤ Adequate and timely resources provided by donors to offset fuel and food price increases.
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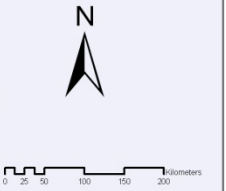
ANNEX III: Map

REFUGEE CAMPS IN ETHIOPIA, JULY 2011



Legend

-  WFP Offices
-  Refugee Camps
-  Towns
-  Major Rivers
-  Roads
-  Lakes



Geographic Coordinate System: GCE_Asdindan
 Datum: Dj_Asdindan
 Prime Meridian: Greenwich

The depiction and use of boundaries, geographic names and related data shown here are not warranted to be error free nor do they imply official endorsement or acceptance by the United Nations World Food Program or by the United Nations.



WFP Ethiopia VAM, July 2011