

**Country Laos & Project No.: DEV-LAO-10306.0**  
**B/R No.: 906**

**BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR**

<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
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**ORIGINATOR**

Country Office or .....  
Regional Bureau on behalf of Country Office

**CLEARANCE**

Programme Officer, OMXP	.....	.....	.....	.....
Chief, OMXP	.....	.....	.....	.....
Chief, OMLL (change in LTSH and/or External Transport)	.....	.....	.....	.....
Director, FLB	.....	.....	.....	.....

**APPROVAL**

☒ Regional Director .....  
.....

**PROJECT: DEV-LAO-10306.0 "Assistance to Food-Insecure Households in Transition"**

	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
<b>Food cost (US\$)</b>	US\$ 2,860,000	US\$ 828,010	US\$ 3,688,010
<b>Total WFP cost (incl. ISC 7%)</b>	US\$ 6,626,962	US\$ 608,353	US\$ 7,235,315

**TYPE OF REVISION**

☒ Additional commodity      ☒ Additional DSC      ☒ De-earmarking ODOC      ☒ Additional LTSH  
☒ Additional external transport      ☒ Extension in time      ☐ Other

**NATURE OF REVISION:**

To extend the duration of FFW 10306.0 from 31 July 2008 to 31 July 2009, to increase rice commodity by 855 MT, to reduce ODOC, to increase DSC and to reduce the LTSH rate from \$191.26/mt to \$163.14/mt.

**JUSTIFICATION FOR THE REVISION:**

The Lao Country Office requests to extend the duration of the 10306.0 project until 31 July 2009 and increase the amount of rice for the project for the following reasons:

1. The project design is still relevant in creating needed agricultural assets which should help communities in the long run to overcome food insecurity.
2. Current implementing partners wish to continue food-for-work activities in food insecure villages and expand food-for-training activities.
3. More time is needed to design a new project which will take into account the new WFP strategic plan and which will be integrated into donor and Government of Laos strategy for uplands development.
4. Implementing partners have proposed 2008 FFW schemes valuing more than is budgeted in the current project.
5. It is proposed that food for training will be expanded to incorporate nutrition training for women.
6. Implementing partners, using resources provided by other donors, were able to cover most of the ODOC cost in the original budget, thus the ODOC budget has been reduced.
7. A DSC increase is needed to cover costs of WFP staff and field activities for the project activities.
8. Regular and systematic transport local market assessment resulted in bigger involvement of local transporters (at district level). This led to a decrease in transport rates - despite fuel price increases.
9. The external transport costs have increased due to fuel price increases; the majority of food is still being procured internationally.

**DISTRIBUTION:**

DED, COO, OM  
Chief, OMLL  
Country Director  
OM Registry  
REG

Deputy COO  
Chief, OMXP  
Programme Officer, OMXP  
Programming Assistant, OMXP  
FLB

Regional Director  
RB Programme Advisor  
RB Programme Assistan  
RB Chrono  
Liaison Officer, OMB