

**Sudan - Special Operation 10368.0**  
**“Emergency Road Repair and Mine Clearance of key transport routes in Sudan**  
**in Support of EMOP 10503.0 and following phases”**

**B/R No.: 6**

**➤ BUDGET REVISION FOR SOs FOR THE APPROVAL OF THE DED & COO**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<b><u>ORIGINATOR</u></b>				
Country Office or Regional Bureau on behalf of Country Office	.....	.....	.....	.....
<b><u>CLEARANCE</u></b>				
Regional Director,	.....	.....	.....	.....
Chief, OMLT	.....	.....	.....	.....
Programme Officer, OMXP	.....	.....	.....	.....
Chief, OMXP	.....	.....	.....	.....
Director OMX	.....	.....	.....	.....
Director, FLB	.....	.....	.....	.....
Director, OML	.....	.....	.....	.....
<b><u>APPROVAL</u></b>				
Deputy Executive Director and COO, OM	.....	.....	.....	.....

<b>PROJECT</b>	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
Total WFP cost (US\$)	US\$ 252,069,217	US\$ 13,308,671	US\$ 265,377,888

<b><u>TYPE OF REVISION</u></b>
<input checked="" type="checkbox"/> Additional DSC <input checked="" type="checkbox"/> Additional ODOC <input checked="" type="checkbox"/> Extension in time <input type="checkbox"/> Other

<b><u>NATURE OF REVISION:</u></b>
- Additional DSC: US\$ 2,389,160 - Additional ODOC: US\$ 10,048,850 - Additional ISC: US\$ 870,661 - Extension in time: 14 months from 1 May 2009 to 30 June 2010
<b><u>BACKGROUND:</u></b>
1. The special operation (SO) 10368.0 “Emergency road repair and mine clearance of key transport routes in Sudan in support of EMOP 10048.2” (Food Assistance to Populations Affected by War and Drought) was launched in August 2004 with an initial duration of 12 months and at a total cost of US\$32,018,073. The project’s overall objective was to increase the transport capacity of the road network in Southern Sudan, linking regions, Northern Sudan and neighboring countries.

2. Subsequently five budget revisions (BR) have been approved as follows:
  - BR 1: A 5 month-extension in time (from 1 August to 31 December 2005) and budget increase of US\$57,136,824 for the second phase of the project encompassing mine clearance and emergency road repair activities.
  - BR 2: A 12 month-extension in time (from 1 January to 12 December 2006) and budget increase of US\$93,427,026 for mine clearance activities and emergency road repairs during the third phase of the operation.
  - BR 3: An additional DSC to accommodate in kind contributions of stand-by deployments amounting to US\$80,280.
  - BR 4: An 18 month-extension in time (from 1 January 2007 to 30 June 2008) and budget increase of US\$52,391,752 to allow for the road maintenance, additional emergency repairs, mine clearance activities and capacity building, largely at the request of the Government of Southern Sudan Ministry of Transports and Roads (GoSS MOTR).
  - BR 5: A 10 month-extension in time (from 1 July 2008 to 30 April 2009) and budget increase of US\$17,009,642 to cover for delayed implementation due to both the late contributions confirmation and the incorporation of the rehabilitation of 5 airstrips in South Sudan.
3. Despite numerous challenges, the project successfully rehabilitated 266 km and maintained 593 km of road in 2008. This brings the project total to 2,532 km of roads rehabilitated, and 1,158 km maintained to date. In addition, the project installed ten major bridges and cleared 367,284 sq meters of mined area. The continued success of this project, implemented in partnership with the Government of South Sudan, kept key areas of Southern Sudan accessible and provided the basic infrastructure foundation on which all development and humanitarian projects depend.

#### **JUSTIFICATION FOR THE REVISION:**

4. In 2007, WFP entered into two memorandums of understanding with the Government of South Sudan. The GoSS pledged US\$55.137 million for roads and airports in Southern Sudan. Unfortunately, the funding promised did not come through in time to completely exploit the 2008 – 2009 dry season. The first installment of US\$15 million was not transferred until March 2008, and the second US\$15 million in August 2008. This left an outstanding shortfall of US\$25 million. This delay has resulted in a number of planned contracts, such as key road maintenance and the start of four airstrip/airport upgrades, being pushed back into 2009. One consequence of delayed funding is increased costs to the project; the longer a road goes without maintenance the more expensive it becomes to conduct works, especially as heavily overloaded trucks continue to damage roads. Finally, funding delays have resulted in higher direct support costs (DSC), as the time on the project is lengthened. WFP has been informed that settlement of the outstanding contribution could be made available during the course of 2009.
5. The GoSS has officially requested WFP to remain active in South Sudan to undertake maintenance of the network of roads that WFP have rehabilitated in order to protect the investment made by both the GoSS and donors. The GoSS has also requested that WFP focus on the maintenance of crucial roads opened by WFP which are heavily used by humanitarian organizations and commercial companies. These major trunk roads are mainly those leading from Kenya and Uganda for which all humanitarian actors rely on for basic services to beneficiaries and programmes.
6. Stretches of road to be maintained under this budget revision have yet to be determined due to the ongoing reprioritization of roads by the Ministry of Roads; however it is expected that approximately 250 kilometers of major trunk roads leading to Juba, the capital of Southern Sudan will be given priority.
7. In the last two years, both the Ministry and the humanitarian community have relied on WFP to undertake emergency repairs of failures of road structures (bridges and culverts mostly but also occasionally road sections) caused by illegally heavy truck loads and/or floods. This BR includes US\$1 million to cater for this activity and expects the majority of funding from the Common Humanitarian Fund (CHF).
8. The SO is currently funded at 100.42 percent (*this includes the US\$25 million outstanding contribution from the GoSS*). This budget revision will enable WFP to programme additional funds required for new activities while committing the GoSS funds for previously planned projects.
9. Activities planned under this budget revision will be the last contracts initiated as WFP is anticipating scaling down of operations and handover of equipment and information to the Roads Agency of the Ministry of Transport (MOTR) to increase government capacity. In 2009 and 2010, WFP plans to continue to keep vital supply corridors open in South Sudan and provide valuable project management to the Government and the humanitarian community.
10. In order to facilitate the exit strategy and hand-over of the project to the MOTR, WFP has engineers seconded from the MOTR to WFP projects; it has also worked to strengthen the Government's capacity in geographic information system (GIS) mapping and planning. Finally, WFP in this BR will endeavor to upgrade a number of physical assets that will ultimately be handed over to MOTR. Under this last component, this budget revision includes US\$2

million to maintain and upgrade three already completed road maintenance hubs in strategic locations along the trunk roads leading to Kenya, and the Uganda to Wau corridor. In addition, US\$1 million is to be allocated for the repair and refurbishment of heavily used equipment managed by GTZ on behalf of WFP and to be used on the final contract work. It is expected that any new road works would be funded directly by the GoSS, and that the Emergency Bridging, and hand-over activities would be funded by a combination of contributions to the project, the Common Humanitarian Fund, and the Sudan Recovery Fund (SRF).

11. WFP will engage with all stakeholders, including (GoSS, humanitarian agencies, the World Bank and donors to establish a realistic road map toward the implementation of an appropriate exit strategy, outlining the roles and responsibilities of all parties involved in this process. This will allow WFP to raise the community's awareness about major risks and challenges as well as proposed solutions. It further aims at encouraging the donor community to re-focus its assistance to the GoSS' capacity building programmes. Should the need for continued efforts from WFP to support the road rehabilitation in South Sudan in the future be recognized, WFP will then review and adapt its strategy as required.

**In light of the above, this budget revision for additional cost and extension in time of the project until 30 June 2010 at a total cost of US\$ 13,308,671 is recommended for approval by the Deputy Executive Director and COO.**

**DISTRIBUTION:**

Deputy Executive Director & COO  
 Chief, OMLT  
 Chief, OMXP, OMXD, OMXR  
 Country Director  
 OM Registry  
 Liaison Officer, OMS

Deputy COO, OM  
 Director, OMX  
 Regional Director  
 Programme Officer, OMXP  
 Programming Assistant, OMXP  
 Logistics Officer OMLT/ALITE

Director, OML  
 FLB  
 REG  
 RB Programme Advisor  
 RB Programme Assistant