

**Country<sup>i</sup> & Project No.: BGD-CP-104100**

**B/R No.: 912**

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

	<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>				
Programme Officer, RMBP	.....	.....	.....	.....
Chief, RMBP	.....	.....	.....	.....
Chief, RMBB	.....	.....	.....	.....
Chief, ODLT (change in LTSH and/or External Transport)	.....	.....	.....	.....
<b><u>APPROVAL</u></b>				
<input type="checkbox"/> Regional Director	.....	.....	.....	.....

<b>PROJECT</b>	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
Food cost <sup>ii</sup>	US\$ 240,131,516	US\$ 2,687,658	US\$ 242,819,174
External transport <sup>iii</sup>	US\$ 36,776,202	US\$	US\$ 36,776,202
LTSH <sup>iv</sup>	US\$ 15,706,296	US\$	US\$ 15,706,296
ODOC <sup>v</sup>	US\$ 31,021,432	US\$ 95,000	US\$ 31,116,432
DSC <sup>vi</sup>	US\$ 25,178,906	US\$ 2,109,178	US\$ 27,288,084
ISC (7%) <sup>vii</sup>	US\$ 24,417,004	US\$ 342,429	US\$ 24,759,433
<b>Total WFP cost (US\$)</b>	<b>US\$ 373,231,356</b>	<b>US\$ 5,234,265</b>	<b>US\$ 378,465,621</b>

**TYPE OF REVISION**

- Additional commodity     
  Additional DSC     
  Additional ODOC     
  Additional LTSH  
 Additional external transport     
  Extension or Reduction in time     
  Other: Revision of the ITSH matrices

**DISTRIBUTION:**

DED & COO, OD  
Deputy COO & Director, ODE  
Chief, ODLT  
Country Director  
OD Registry  
Director, ERD

Director, ODX  
Chief, RMBP  
Chief, ODXR  
Programme Officer, RMBP  
Programming Assistant, RMBP  
Chief, RMBB

Chief, ODXP  
Regional Director  
RB Programme Advisor  
RB Programme Assistant  
RB Chrono  
Liaison Officer, OD @

## **NATURE OF THE INCREASE**

1. This budget revision proposes an increase of USD 2,372,011 to fund additional capacity building activities of government agencies and NGOs, and to expand WFP's nutrition operations in Bangladesh to bring them in line with the new nutrition strategy approved in January 2011. The Bangladesh Country Office has resources available to meet this budget revision.
2. Capacity building activities will be undertaken for the Vulnerable Group Development and Food for Education programmes. Further to discussions with various government agencies and the recommendations of a capacity building mission from WFP HQ, the Country office is committed to increasing its investment in capacity building activities. This will include the establishment of a capacity building unit within the Country Office and the establishment of project support offices in government agencies to support and develop the capacity of the government's Vulnerable Group Development and School Feeding programmes.
3. Nutrition activities will include a strengthening of the Country Office and partner organisations' nutrition expertise through the recruitment of additional specialist nutrition staff and the development of a partnership with an NGO with specialist nutrition expertise.

## **JUSTIFICATION FOR EXTENSION-IN-TIME AND/OR BUDGET INCREASE**

### **Summary of existing project activities**

4. The goal of the approved Country Programme is to support the Government of Bangladesh to achieve the MDGs by improving ultra poor households' food security and nutritional well being. The ongoing activities of the Country Programme include:
  - Component-1 (C1): The Food Security for the Ultra Poor (FSUP) project, provides cash transfer and livelihood development activities to ultra poor women. It was approved under the BR 909.
  - Component-2 (C2): Community Nutrition (CN) provides a package of services to children 6-59 months and pregnant and lactating women from ultra poor households. Implementation of the FSUP project-Nutrition (FSUP-N), is part of this activity.
  - Component-3 (C3): Food for Education (FFE) assists pre-primary and primary schoolchildren in regions with high levels of poverty and low primary school enrolment and attendance.
  - Component-4 (C4): Enhancing Resilience (ER) assists individuals and communities vulnerable to disasters through disaster risk reduction training and the building of disaster-resistant community assets. It also provides a mechanism to respond to small scale disasters.
  - Component-5 (C5): Capacity building supports relevant Government agencies and NGOs to improve their effectiveness and efficiency in delivering food-assisted activities.

### **Conclusion and recommendation of the re-assessment (if applicable)**

5. A key recommendation from the 2010 Country Strategy Mission was for WFP to increase its role, in strengthening systems by providing capacity building support to government agencies and NGOs. This support will be focused specifically towards assisting the Government to manage the Vulnerable Group Development and School Feeding programmes.
  - The Vulnerable Group Development (VGD) is one of the Government's largest food-based safety nets and WFP has a long history of involvement in the coordination and monitoring of the programme with the Department of Women Affairs (DWA). WFP previously was also a significant contributor of food commodities through VGD but has ceased such distributions at the end of 2010. Starting from 2011, the Government has taken over the management of the entire programme and has allocated funding from its own resources. DWA has requested WFP

to provide technical support to assist in strengthening its systems (overall guidelines, monitoring and reporting, programme review, evaluation and assessments).

- In 2011, the Government will begin implementing its School Feeding in High Poverty Prone Areas programme based on the successful WFP model which has been in operation since 2001. The Department of Primary Education (DPE) is currently establishing a dedicated Programme Management Unit which will be responsible for the overall management of the Government's school feeding programme. Given WFP's experience managing school feeding operations, the Government has requested technical assistance in (i) programme design; (ii) monitoring, evaluation, assessment and reporting; (iii) commodity supply chain management; (iv) procurement; and (v) quality control.
6. The Country Office Nutrition Strategy, finalised in January 2011, emphasises nutrition interventions with efforts on capacity building both within WFP's Country Office and with local government health workers and outreach services. This will require additional services to be provided by WFP and is incorporated in this budget revision. A key activity will include the expansion of the Food Security for the Ultra Poor project to incorporate a nutrition component (known as FSUP-N).

### **Purpose of extension and/or budget increase (applicable for all projects)**

7. This Budget Revision includes budget provisions to undertake the following activities:
- Establishment of a management unit at the Department of Women's Affairs to assist in strengthening systems and to provide necessary technical support;
  - Establishment of a management unit at Department of Primary Education to assist in the design and implementation of the Government's school feeding programme;
  - Implementation of nutrition activities in line with the new Country Office nutrition strategy, including significant capacity building efforts; and
8. The Country Office (CO) is able to fund the proposed budget increase with resources already confirmed. The CO plans to use a combination of donor contributions to meet the increase.

This budget revision does not reflect any change in the number of beneficiary, approved for assistance in 2011 through BR 911.

## **FOOD REQUIREMENTS**

### **Additional food requirements**

9. In addition to the capacity building budget increases under ODOC and DSC , this BR includes US\$2,687,658 million to reflect an increase in the commodity prices for the period of March to August 2011. This increase does not include additional tonnage or beneficiaries. A mid-year review may be conducted for any further adjustments, as necessary, should commodity prices remain high.

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<sup>i</sup> If a regional project, please specify the countries concerned

<sup>ii</sup> Food cost can comprise both commodities and cash/voucher transfers.

<sup>iii</sup> The first leg of transport for commodities: from the donor country to the recipient country port, or in cases of regional commodity purchases, from the place of purchase to the recipient country.

<sup>iv</sup> Landside, Transport, Storage and Handling - LTSH comprises the actions required to (a) care for and (b) physically deliver the commodities from the completion of external transport through to final distribution.

<sup>v</sup> Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.

<sup>vi</sup> Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.

<sup>vii</sup> Indirect Support Costs - ISC is a fixed rate resourced from all donor contributions, which is used to cover (non-project) corporate overhead costs, i.e. PSA.