

Mozambique Project CP 104460
B/R No. 07

BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<u>ORIGINATOR</u>				
Country Office or Regional Bureau on behalf of Country Office
<u>CLEARANCE</u>				
Project Budget & Programming Officer, RMBP
Chief, RMBP
Chief, ODLT (change in LTSH and/or External Transport)
<u>APPROVAL</u>				
<input type="checkbox"/> Regional Director

PROJECT	Previous Budget	Revision	New Budget
Food cost ¹	US\$ 34,008,947	US\$	US\$ 34,008,947
External transport ²	US\$ 4,444,602	US\$	US\$ 4,444,602
LTSH ³	US\$ 12,358,227	US\$	US\$ 12,358,227
ODOC ⁴	US\$ 1,891,336	US\$ 54,500	US\$ 1,945,836
DSC ⁵	US\$ 5,398,623	US\$ 175,067	US\$ 5,573,690
ISC (7%) ⁶	US\$ 4,067,121	US\$ 16,070	US\$ 4,083,191
Total WFP cost (US\$)	US\$ 62,168,856	US\$ 245,637	US\$ 62,414,493

TYPE OF REVISION

- | | | | |
|--|---|---|--|
| <input type="checkbox"/> Additional commodity | <input checked="" type="checkbox"/> Additional DSC | <input checked="" type="checkbox"/> Additional ODOC | <input type="checkbox"/> Additional LTSH |
| <input type="checkbox"/> Additional external transport | <input checked="" type="checkbox"/> Extension in time | | <input type="checkbox"/> Other |

¹ Food cost can comprise both commodities and cash/voucher transfers.

² 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.

³ 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.

⁴ Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.

⁵ Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.

⁶ 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.

NATURE OF THE INCREASE

1. A budget revision to Mozambique Country Programme CP 104460 is proposed to reflect the following:
 - An extension of the operation in time by 2 months, from 1st January to 29 February, 2012. This extension in time is required to ensure the continuity of activities between the current Country Programme and the new Country Programme submitted for approval to the WFP Executive Board in February 2012, due to start on 1st March 2012 as an integrated response within the UNDAF cycle in Mozambique.
 - An increase in the budget plan reflecting the requirements for capacity-development activities to be undertaken during the extension in time by US\$ 175,067 in Direct Support Costs (DSC), by US\$ 54,400 in Other Direct Operational Costs (ODOC) by US\$ 54,500 and in Indirect Support Costs (ISC) by US\$ 16,070.

This budget revision will increase the total project budget plan by US\$ 245,637 from US\$62,168,856 to US\$ 62,414,493.

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

Summary of existing project activities

2. CP 104460 supports the host government to design and implement a national School Meals Programme and roll out the multi-sectoral plan for the reduction of chronic malnutrition (MPRCM). The Country Programme has two components:
 - School Feeding which includes (1) the provision of direct food assistance to children in prioritized primary schools, (2) strengthening of the Ministry of Education's implementation capacity to gradually absorb responsibility for the programme, and support the design and implementation of national home grown 'School Meals' strategy and programme to promote longer-term sustainability as well as national ownership and stewardship; (3) Technical assistance to the Ministry of Education in the design and implementation of a national School Meals Programme with support from the Government of Brazil through a tripartite arrangement of cooperation with the *Brazilian Cooperation Agency* and through the *WFP Brazilian Trust Fund*
 - Prevention of Chronic Malnutrition: Preventing stunting/under nutrition in children under the age of 2 years in support of the Government's National Action Plan which aims at tackling chronic malnutrition. A core component within the *National Action Plan* includes preparation for a blanket feeding strategy in provinces where chronic malnutrition is most prevalent, as from March 2012. The activity involves a nutritional supplement intervention that aims to reach all infants between 6 and 24 months of age. WFP's support is part of a broader United Nations (FAO, UNICEF and WHO) plan of action

Conclusion and recommendation of the re-assessment

3. In April 2011, WFP Mozambique Country Strategy Document (CSD) was approved by the Strategic review committee and validated the new composition and content of WFP operations in Mozambique with the aim of enhancing consistency between WFP's strategic plan 2008-2013 and the use of programme categories as per EB recommendations. The UNDAF was approved in June 2011, and provides the framework for articulating specific WFP activities

under the new Country Programme CP 200286. The new CP was endorsed by the PRC in July 2011 and was presented to the EB in November 2011 for consideration. Final approval will only be secured in February 2012. In order to ensure the continuity of programmes, a 2 month extension has been requested as some of the current CP activities will be merged into the new CP following recommendations from the CP appraisal and formulation mission undertaken in April 2011.

4. WFP and the Ministry of Education have joined forces to initiate the design and implementation of a sustainable home-grown School Meals Programme. Earlier this year, the Country Office coordinated with the Brazilian Government to reach a tripartite agreement, together with the Government of Mozambique, to provide technical assistance for the development of a strategy for and design of a national School Meals Programme for Mozambique. Analysis was carried out and the Government together with WFP and other stakeholders re-defined the targeting criteria for the school feeding programme.
5. Consequently, as from mid November 2011 until February 2012, WFP will - jointly with Ministry of Education - undertake a number of capacity development activities with the aim of setting the foundation of the new school feeding programme. This will include:
 - Joint WFP/MINED missions to the various districts to inform communities and local authorities on the new approach;
 - Inventory and hand over of equipment to the districts departments of Ministry of Education in non-priority districts where WFP support will be discontinued in 2012;
 - A comprehensive readiness assessment of schools in the targeted districts and sensitization campaign to ensure full community support for the transition;
 - The establishment of the relevant structures and institutional arrangements in the newly targeted schools together with Government institutions and the communities including the construction of storage and kitchen facilities, procurement of non-food items and training of school councils in the management of the programme.

These activities are expected to last until the end of February. WFP will not distribute any food during the extension period either in the phase-out schools or in the newly targeted schools.

Purpose of extension and budget increase

6. This budget revision builds on the programme's achievements thus far and extends the duration up to February 2012 in order to (1) Align with the new programme cycle which starts in March 2012 after the EB approval of the new CP 200286 in February (2) complete the hand-over plan of logistics and programme responsibilities to the Ministry of Education for those schools outside the jointly selected priority food insecure districts and prepare for the new transition phase towards a national home grown school feeding programme

DISTRIBUTION:

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

Director, ODX
Chief, RMBP
Chief, ODXR
Programme Officer, RMBP
Programming Assistant, RMBP
Liaison Officer, ODJoburg

Chief, ODXP
Regional Director
RB Programme Advisor
RB Programme Assistant
RB Chrono