

Country & Project No.: SO-LKA-10539.0
B/R No.: 903

BUDGET REVISION OF SO 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>				
Programme Officer, ODMP
Chief, ODMP
Director, CFOB
Director, ODT
<u>APPROVAL</u>				
<input checked="" type="checkbox"/> Regional Director

PROJECT: "SO-LKA-10539.0 Augmentation of logistics preparedness capacity"

	Previous Budget	Revision	New Budget
Total WFP cost (US\$)	US\$ 4,648,730	US\$ 1,192,585	US\$ 5,841,315

TYPE OF REVISION

☒ Additional DSC
 ☐ Additional ODOC
 ☒ Extension in time
 ☐ Change in project orientation
☐ Other

NATURE OF REVISION:

The Special Operation 10539.0 is due to expire on 31 December 2007. This budget revision is submitted to allow WFP to extend its activities by an additional 12 months (01.01.2008 – 31.12.2008) in order to (1) conclude the projected activities that could not be undertaken due to lack of funds and (2) maintain a satisfactory level of implementation through essential international and national professional logistics staff, monitoring missions, staff training and casual labours subject to availability of resources.

JUSTIFICATION FOR THE REVISION:

The increase of urgent humanitarian aid, particularly to the conflict affected areas in the north and east, calls for an augmentation of humanitarian organisations' capacity to store and transport relief goods to conflict-affected communities within the framework of the current and planned emergency response linked to the expansion of PRRO 10067.1. This was to be achieved by establishing common-user logistics hubs and bases at strategic points, from where WFP is using a fleet of UN-flagged vehicles and/or leased private trucks to facilitate the transport of both UN and INGO humanitarian cargo. These measures were also intended to enhance the emergency preparedness in the event that the security situation further deteriorated, impacting the Government of Sri Lanka's capacity to support communities in districts not under its direct control.

With the security situation in Sri Lanka expected to further deteriorate in the Northern and Eastern districts, the coping mechanisms of communities living near or inside the conflict affected areas will erode further and lead to an increased reliance on humanitarian aid. As a consequence, the WFP common-user logistics hubs are playing an increasingly

important role in the storage and transport of relief items and an upgrading of these hubs is required to provide a more conducive operating environment.

Furthermore, in order to increase transport capacity on the primary routes between Colombo and up-country logistics bases, as well as destinations in the East, where road infrastructure and storage facilities can support larger deliveries, the UN truck fleet needs to be expanded.

The following activities are recommended in order to meet the increased logistics requirements in Sri Lanka:

- Upgrade common-user logistics hubs in Jaffna and Vavuniya (improve office space, communication and security facilities, build concrete flooring for mobile storage units, improve existing concrete storage facilities)
- Maintain the readiness of mobile storage units and deploy/assemble such when required
- Expand trucking capacity by leasing and purchasing an additional ten trucks with a 200 MTN truck fleet capacity
- Continue capacity building activities to strengthen the capacity of the logistics network in Sri Lanka. These activities include logistics assessment and preparation missions to assess storage and transport capacity; training and mentoring staff from implementing partners to strengthen their capacity to carry out WFP's logistics and distribution work in the critical areas, and; train newly recruited staff in logistics management
- Establish common logistics procedures and ensure full utilisation of common assets already in place (the UN truck fleet and the common warehousing facilities) as recommended by the Inter-Agency UN/International Humanitarian Organizations and NGO logistics group, which is chaired by WFP
- Strengthen the monitoring and tracking of cargo aid movements as well as the management of WFP and/or common-users logistics assets
- Ensure coordination with the Government, security forces and humanitarian organisations in Colombo as well as in the field by hiring professional logistics staff

The above activities will also ensure necessary response capacity should the situation worsen further.

DISTRIBUTION:

Senior DED	Associate Director of Operations	Director, ODT
Chief, ODTL	Director, ODM	CFOB
Chief, ODMP	Regional Director	FDD
Country Director	Programme Officer, ODMP	RB Programme Advisor
OD Registry	Programming Assistant, ODMP	RB Programme Assistant
Liaison Officer, ODB		

Approval Procedure for Budget Revision of SOs (over US\$ 3 million of non-food costs)

APPROVAL AUTHORITY – SENIOR DEPUTY EXECUTIVE DIRECTOR

CO requests the RB for a budget revision and provides the RB with required information as per project “Project Budget Planning Format” on changes in the DSC, ODOC costs and extension-in-time/reduction-in- time. The information on “Project Statistics” are required only if there is a change in planned achievements/outputs. A narrative justification is a required.

COs are required to insert the revision details directly into the system if they are connected to the WINGS.



RB is responsible for reviewing and clearing the budget revision. Once cleared, RB Programme Assistant on behalf of CO inserts the budget and clears the revised budget to clearance **1 in WINGS**. The reason and the type of revision need to be mentioned in an attached e:mail or via SAP office.



ODMP reviews the DSC and ODOC values and clears the revised budget to clearance **2 in WINGS**.



ODT reviews and clears the revised budget to clearance **3 in WINGS**.



CFOB reviews the budget to ensure that it is in line with WFP’s budgetary policies and clears the budget revision to clearance **4 in WINGS**.



RB posts budget revision on System for Project Approval (SPA); PRC meeting is held; CO incorporates comments made by PRC.



Clearance in Hard Copy

ODMP, ODT, CFOB, ODO and SDED clear the hard copy using this budget revision proforma for SOs after the project plan has been technically cleared in WINGS.



Senior Deputy Executive Director (OD) approves the revised budget.



RB Programme Assistant clears the budget revision to clearance **5 in WINGS (Copy Plan to OD to 0)**. The reason and type of revision need to be captured in the long text in WINGS. Bureau Liaison Officer arranges the distribution of hard copy to the CO, RB, Director, ODT and the relevant HQ units.

Country¹ & Project No.:

B/R No.:

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➤ **BUDGET REVISION FOR SOs FOR THE APPROVAL OF THE SENIOR DEPUTY EXECUTIVE 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>				
Regional Director,
Programme Officer, ODMP
Chief, ODMP
Chief, ODTL
Director, CFOB
Director, ODT
Associate Director of Operations
<u>APPROVAL</u>				
Senior Deputy Executive Director

PROJECT	Previous Budget	Revision	New Budget
Total WFP cost (US\$)	US\$	US\$	US\$

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

<u>NATURE OF REVISION:</u> <u>JUSTIFICATION FOR THE REVISION:</u>
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DISTRIBUTION:

Senior DED
 Chief, ODTL
 Chief, ODMP
 Country Director
 OD Registry
 Liaison Officer, OD@

Associate Director of Operations
 Director, ODM
 Regional Director
 Programme Officer, ODMP
 Programming Assistant, ODMP

Director, ODT
 CFOB
 FDD
 RB Programme Advisor
 RB Programme Assistant

¹ If a regional project, please specify the countries concerned