

Country¹ & Project No.: GUINEA PRRO 10553.0
B/R No.: 8

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 | | | | |
| <u>CLEARANCE</u> | | | | |
| Programme Officer, OMXP | | | | |
| Chief, OMXP | | | | |
| Chief, OMLT (change in LTSH and/or External Transport) | | | | |
| Director, FLB | | | | |
| <u>APPROVAL</u> | | | | |
| <input checked="" type="checkbox"/> Regional Director | | | | |

| PROJECT | Previous Budget | Revision | New Budget |
|------------------------------|------------------------|-----------------------|------------------------|
| Food cost | US\$ 19 925 660 | US\$ 846 520 | US\$ 20 772 180 |
| External transport | US\$ 8 599 099 | US\$ 202 842 | US\$ 8 801 941 |
| LTSH | US\$ 8 220 683 | US\$ 362 219 | US\$ 8 582 902 |
| ODOC | US\$ 1 880 876 | US\$ 88 170 | US\$ 1 969 046 |
| DSC | US\$ 8 391 168 | US\$ 529 713 | US\$ 8 920 881 |
| ISC (7%) | US\$ 3 291 224 | US\$ 142 063 | US\$ 3 433 287 |
| Total WFP cost (US\$) | US\$ 50 308 710 | US\$ 2 171 526 | US\$ 52 480 237 |

TYPE OF REVISION

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

NATURE OF REVISION:

This budget revision is for an extension in time from 1/1/10 to 31/3/10 (3 months) with additional commodity requirements and associated costs increase. The LTSH matrix has not changed.

JUSTIFICATION FOR THE REVISION:

Through this extension in time, the Country Office intends to closely monitor the current socio-political situation so as to integrate possible major changes in the follow-up phase of WFP assistance. Guinea is going through a very unstable period characterized by serious political turmoil and increasing security incidents. The 28 September massacre and the recent attack on the Junta Chief put additional question marks on the country's future; banditry and armed robberies, hold-ups and movements of marauding bands are on the increase.

¹ If a regional project, please specify the countries concerned

Earlier this year, the military regime, under pressure from donors, African union and civil society, had promised to hold free and fair elections as a transition to civilian rule. Indications received from the Junta leader about his intention to be a presidential candidate had however raised discontent among the population as well as civil and political actors. Furthermore, current high food prices are causing popular discontent in a very fragile political environment. Based on the experience from the 2007 insecurity's impact on Guinea's food markets², WFP expects food prices to rise in Conakry and other urban centers due to disruptions in trade. Given the recent stalemate between the donors and the government the funding perspectives are becoming more and more bleak.

In 2009, WFP carried out two food security vulnerability surveys ³(in urban and rural areas respectively) as well as an evaluation⁴ of the current PRRO. In addition, the Country Office is currently carrying out a market study assessing the impact of increased food prices on vulnerable groups. The results of these studies have informed the drafting of a new PRRO document which was planned to start at the end of the current operation and with a beginning date of January 2010. However, the unstable socio-political situation in the country as well as the uncertainty regarding the position of key donors have made it necessary for WFP to withhold the presentation of a new operation, while stepping up preparation, through an IR-EMOP, for capacity building of government counterparts in disaster preparedness. Another IR-EMOP is being implemented for victims of floods occurred during the last raining season of July-September. This budget revision will allow to closely monitor the current volatile political situation to inform the following WFP intervention based on evolved country situation.

As the much needed assistance to the current project's beneficiaries cannot come to a halt while waiting for the situation to evolve, this budget revision is necessary in order to continue assisting the following beneficiary categories:

1. Ivorian refugees in Forest Guinea. This is still needed as the date for the presidential election in Ivory Coast has been postponed and, as a consequence, repatriation of Ivorian refugees will not be organised before elections in their home country, now foreseen for the first quarter 2010. UNHCR has already request WFP to continue assisting these refugees.
2. Residual caseload of Liberian and Sierra Leonean refugees (estimated at 8,000 people). This caseload is assisted through this PRRO and the UN Joint programme for the development of the Forest Guinea aiming at their integration among the local population of Forest Guinea. Food-for-work and food-for-training activities will continue to be carried out which also involve the hosting populations.
3. Emergency school feeding in the Forest Guinea region. This is currently the project's second largest component, providing assistance to 103,000 school children in 522 schools. As the school year has just started, school meals must be ensured throughout the school year to avoid negative impact on the retention rates as well as on the food security of their households.
4. Vulnerable group composed mainly by malnourished children in supplementary and therapeutic feeding centres as well as people living with HIV on ART.

² Jean-Martin Bauer, WFP 2007, Impact de la grève de 2007 sur le marché du riz local étuvé en Guinée

³ WFP Guinée, The Republic of Guinée: Enquête Nationale de la Sécurité Alimentaire (ENSA), Draft Report August 2009 and Enquête de Sécurité Alimentaire à Conakry, Draft Report, September 2009

⁴ July 2009, Decentralized Evaluation document : EVALUATION DE L'INTERVENTION PROLONGEE DE SECOURS ET DE REDRESSEMENT EN GUINEE

The proposed three months extension in time with relative additional food and associated costs resulting in the revised budget for GIN PRRO 10553.0, is recommended to the Regional Director for approval.

DISTRIBUTION:

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| Country Director | Programme Officer, OMXP | RB Programme Assistant |
| OM Registry | Programming Assistant, OMXP | RB Chrono |
| REG | FLB | Liaison Officer, OMD |