

**Malawi DEV 105810:
B/R No.:5**

**PROJECT REVISION FOR THE APPROVAL OF:
➤ Deputy Executive Director and COO - Operations Department**

	<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
Project Budget and Programming Officer, RMBP
Chief, RMBP
Chief, ODLT (change in LTSH and/or External Transport)
Director and Deputy CFO, RMB
Director, ODX
<u>APPROVAL</u>				
Deputy Executive Director and COO - OD

PROJECT	Previous Budget	Revision	New Budget
Food cost	US\$ 31,783,870	US\$ 552,636	US\$ 32,336,506
External transport	US\$ 6,204,244	US\$ 2,784,002	US\$ 8,988,246
LTSH	US\$ 5,943,929	US\$ 2,128,350	US\$ 8,072,278
ODOC	US\$ 2,022,416	US\$ 19,119	US\$ 2,041,535
DSC	US\$ 8,699,586	US\$ 109,000	US\$ 8,808,586
ISC (7%)	US\$ 3,878,008	US\$ 339,293	US\$ 4,217,301
Total WFP cost (US\$)	US\$ 58,532,053	US\$ 5,932,400	US\$ 64,464,452
<u>TYPE OF REVISION</u>			
<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 type="checkbox"/> Other	<input type="checkbox"/> Re-orientation	<input type="checkbox"/> Extension or Reduction in time

NATURE OF THE INCREASE

1. This technical budget revision to development project (DEV 105810) “Support to Education” is intended to (i) offset existing negative balances in the current budget plan; and (ii) increase the food budget to include vegetable oil, accommodating a resource transfer from another WFP project. The specific actions proposed in this budget revision are the following:
 - Inclusion of 756 mt of vegetable oil to the food basket equivalent to US\$552,636;
 - Increase external transport by US\$2.7 million from US\$6.2 million to US\$8.9 million;
 - Increase land, transport, storage and handling (LTSH) costs by US\$2.1 million from US\$5.9 million to US\$8.1 million;
 - Increase other direct operational costs (ODOC) by US\$19,119 from US\$2.02 million to US\$2.04 million;
 - Increase direct support costs (DSC) by US\$109,000 and indirect support costs (ISC) by US\$ 339,293.
2. This budget revision will increase the current total budget by US\$5.9 million from US\$58.5 million to US\$64.5 million.

JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

3. In 1994, the Government of Malawi introduced free primary education to increase enrolment in schools. The new system inadvertently created a gender gap, with more boys enrolled than girls (reference: Demographic and Health Survey 2005). To correct this anomaly and help improve retention in primary schools, in 1999 the Government piloted a School Meals Programme with WFP’s support in Dedza district. In this pilot, 24 schools covering 23,000 pupils were targeted. The programme has since expanded, going through several phases, and is now targeting approximately 674,000 learners in 679 schools in 13 districts. The current phase of the development project 105810 began on 01 January 2008 and will close on 31 December 2011.
4. The main objectives of the programme are to increase enrolment, reduce dropout rates, improve children’s capacity to learn and promote regular attendance among students in the upper standards (5 to 8), in particular for girls and orphans. The programme also aims to increase the Ministry’s capacity to carry out monitoring and reporting of the School Meals Programme (capacity-building component).

Purpose of budget increase

5. The budget revision will increase LTSH and external transport planned costs in the budget in order to offset negative balances in the WFP corporate accounting system (WINGS) that resulted from registering a contribution from a major donor. This budget revision will also address additional requirements for LTSH and external transport that are anticipated for a further contribution expected in June 2011.

- The budget revision will also add vegetable oil into the school meals food basket so that the take-home ration will consist of cereals and vegetable oil. This inclusion will allow for a resource transfer of 756 mt of vegetable oil from the protracted relief and recovery operation PRRO 105860 (“Assistance to food insecure people suffering from the effects of natural disasters and HIV/AIDS”) to this development project (105810). The current monthly consumption rate of PRRO 105860 will not allow the distribution of the vegetable oil stock, given the “best before” use date. The most pragmatic option for the country office is to utilize this food commodity as a take-home ration for pupils.

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE
(There are no changes resulting from this budget revision)

Beneficiaries		
Activity	Original (2008)	Present (2011)
Development Project – School Meals programme for wet feeding	635,000	673,552
Take Home Rations	114,300	123,675
Total	635,000	673,552

Food Requirements

6. The food requirements increase by 756 mt of vegetable oil as a result of the inclusion of vegetable oil in the food basket for school feeding.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE

Activity	Food distribution (mt)		
	Present	Increase	Revised
Take Home Ration	6,212	756	6,968
Wet Feeding	5,555		5,555
Total	11,767	756	12,523

DISTRIBUTION:

Chief, ODLT
Country Director
OD Registry
ERD

DED & COO
Chief, ODXP & RMBP & ODXR
Programme Officer, RMBP
Programming Assistant, RMBP
RMB

Regional Director
RB Programme Advisor
RB Programme Assistant
RB Chrono
Liaison Officer, ODJoburg