

Malawi Project DEV 105810
B/R No. 06

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\$ 32 336 506	US\$ 161 321	US\$ 32 497 827
External transport ²	US\$ 8 988 246	US\$	US\$ 8 988 246
LTSH ³	US\$ 8 072 279	US\$ 32 747	US\$ 8 105 026
ODOC ⁴	US\$ 2 041 535	US\$ 448 052	US\$ 2 489 587
DSC ⁵	US\$ 8 808 586	US\$	US\$ 8 808 586
ISC (7%) ⁶	US\$ 4 217 301	US\$ 44 948	US\$ 4 262 249
Total WFP cost (US\$)	US\$ 64 464 452	US\$ 687 068	US\$ 65 151 520

TYPE OF REVISION

- | | | | |
|--|---|---|---|
| <input checked="" type="checkbox"/> Additional commodity | <input type="checkbox"/> Additional DSC | <input checked="" type="checkbox"/> Additional ODOC | <input checked="" 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. This budget revision to project DEV 105810 (School Meals Programme) is intended to extend in time the project duration by two additional months from 01 January 2012 to 29 February 2012 in order to operate a smooth transition between DEV 105810 and Malawi Country Programme (CP 200287 due to start on 01 March 2012).
2. In this view, an increase of the budget plan is proposed as follows:
 - Increase in Food Commodity costs by to US\$ 161,321 equivalent to 315 mt of Super Cereal;
 - Increase in Landside Transport, Storage and Handling (LTSH) costs by US\$ 32,747;
 - Increase in Other Direct Operation Costs (ODOC) costs by US\$448,052;
 - Increase in Indirect Support Costs (ISC) by US\$ 44,948.
3. This budget revision will increase the current total budget by US\$ 687,068 from US\$ 64,464,452 to US\$ 65,151,520.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of existing project activities

4. In 1994, the Government of Malawi introduced free primary education to increase enrolment in schools. The new system inadvertently created a gender gap in favour of boys (ref: 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 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 690,000 learners in 681 schools in 13 districts. The current phase of Dev 105810 began on 01 January 2008 and will close on 31 December 2011.
5. 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 (Std 5 to 8), in particular girls and orphan boys. The programme also aims to increase the Ministry of Education's capacity to design, implement, monitor and report on the School Meals Programme (capacity development component).

Purpose of extension and budget increase

6. This extension will allow the smooth transition of the on-going school meals programme into the new CP 200287, which will be submitted for approval to the WFP Executive Board at its February 2012 session. This new country programme was endorsed by the Programme Review Committee on the 27 June 2011. In light of the two-month extension, the budget increase will factor in the commodity requirements for January and February 2012 for the continuing activities.
7. This budget revision is intended to increase food commodity costs and LTSH planned costs as a result of the increase in beneficiary numbers from 673,000 to 690,000. The increase in the

ODOC costs will cover additional expenses under equipment and building, quality and quantity, engagement of local staff and cooperating as well as other office expenditures.

8. The increase in commodity will cover the extra food needs for the children at school. There is no change in the distribution modality and the geographical coverage of the project.

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE

Beneficiaries			
Activity	Original	Present	Revised
Development Project – School Meals programme for wet feeding	635,000	673,552	690,329
Take Home Rations	114,300	123,675	130,893
Total	635,000	673,552	690,329

FOOD REQUIREMENTS

9. There is an increase in the planned tonnage for Super Cereal.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE

	Food distribution (mt)		
Activity	Present	Increase	Revised
Wet feeding	5,555	315	5,870
Total	5,555	315	5,870

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
Liaison Officer, ODJoburg

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