

**MALAWI PROTRACTED RELIEF AND RECOVERY OPERATION (PRRO) 105860:
B/R No. 16**

PROJECT REVISION FOR THE APPROVAL OF:

➤ **Deputy Executive Director and Chief Operating Officer**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>ReasonFor 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, OSLT (change in LTSH and/or				
External Transport)
Director, RMB
Director, OSZ
<u>APPROVAL</u>				
Deputy Executive Director and COO

PROJECT

Start date:01 JAN 2008 **End date:**31 MAR 2013 **Extension period:**3 months **New end date:**30 JUN 2013

	Previous Budget (US\$)	Revision (US\$)	New Budget (US\$)
Food cost ¹	US\$ 120 216 580	US\$ 1 145 559	US\$ 121 362 139
Cash transfer cost	US\$ 3 436 975	US\$	US\$ 3 436 975
External transport ²	US\$ 8 854 714	US\$	US\$ 8 854 714
LTSH ³	US\$ 20 717 545	US\$ 240 655	US\$ 20 958 200
ODOC ⁴	US\$ 8 866 766	US\$ 78 400	US\$ 8 945 166
DSC ⁵	US\$ 12 275 178	US\$ 102 602	US\$ 12 377 780
ISC (7%) ⁶	US\$ 12 205 743	US\$ 109 705	US\$ 12 315 448
Total WFP cost (US\$)	US\$ 186 573 501	US\$ 1 676 921	US\$ 188 250 422

TYPE OF REVISION

☒ Additional commodity
 ☒ Additional DSC
 ☒ Additional ODOC
 ☒ Additional LTSH
☐ Additional external transport
 ☐ Other
 ☐ Re-orientation
 ☒ Extension or Reduction in time

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. The purpose of budget revision number 16 to the Malawi protracted relief and recovery operation (PRRO) 105860 “Assistance to Food-insecure People Suffering from the Effects of Natural Disasters” responds to an official request from the Government to assist flood-affected food-insecure populations in the southern region of Malawi who require protracted assistance until the next harvest in July 2013.
2. The revision proposes to extend the operation in time by three months in order to: (i) continue providing support to 37,100 flood-affected beneficiaries; and, (ii) to expand support to an additional 41,410 vulnerable, flood-affected people. The PRRO will assist a total of 78,500 beneficiaries from April 2013 to end June 2013.
3. The total cost of this revision is US\$1.7 million. Specifically it proposes to:
 - Increase food requirements by 2,783 mt, valued at US\$1.1 million.
 - Increase associated costs by US\$421,657, consisting of landside transport, storage and handling, other direct operational costs, and direct support costs.
 - Increase indirect support costs by US\$109,715.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of existing project activities

4. Based on recommendations of the Malawi Vulnerability Assessments Committee (MVAC) and with the support and recognition of the Government and key donors, WFP established a relief activity under PRRO 105860. This activity started in August 2012 with targeted food distribution and cash transfers for food-insecure populations affected by prolonged drought during the 2011/2012 growing season. The number of people requiring assistance progressively increased to nearly 2 million food-insecure people at the peak of the hunger season in January 2013.
5. A series of budget revisions have been required over the last seven months to: (i) extend the PRRO from July 2012 to March 2013; (ii) progressively accommodate the increasing numbers of drought-affected beneficiaries as per recommendations of the MVAC and at the request of the Government; and (iii) incorporate cash-based transfer modalities alongside the in-kind support.
6. In January 2013 very heavy rains resulted in the flooding of vulnerable districts in the southern region. Three of the sixteen districts under the MVAC response (Mangochi, Nsanje and Phalombe) were the worst hit. The PRRO was subsequently revised to enable WFP to respond to the immediate food requirements of 37,100 beneficiaries affected by floods January-March 2013 (budget revision 15).

Conclusion and recommendation of the re-assessment.

- 7. By February/March 2013, additional districts were badly affected by the floods, including Chikhwawa and Zomba. The Department of Disaster Management Affairs coordinated a national level Inter-Agency Flood Assessment Mission to conduct field assessments in three districts (Mangochi, Nsanje and Phalombe) in January, and two districts (Chikhwawa and Zomba)⁷ in February. This assessment estimated that 78,500 people had been affected by the heavy rains. Most of the affected households had their houses destroyed, leaving them displaced and homeless; food stocks were ruined and crops washed away. The mission recommended the provision of food assistance through to the next harvest in July 2013.***
- 8. Although the severely affected districts were also part of the MVAC operation in response to the drought (August 2012 – March 2013), households recommended for food assistance due to the 2013 floods are not the same target group as those who benefitted under the food assistance programme responding to the 2012 drought.***
- 9. The Government does not have resources to support the flood-affected households and has therefore requested WFP to continue to provide food assistance to the affected population for the period April-June, until the next harvest in July, as part of the ongoing relief operation under PRRO 105860.***

Purpose of extension and budget increase

- 10. Based on the findings and recommendations of the national Inter-Agency Flood Assessment Mission and the subsequent request from the Government, WFP and its non-governmental organization cooperating partners will extend support to the flood-affected populations in Chikhwawa, Mangochi, Nsanje, Phalombe and Zomba districts for an additional three months.***
- 11. A total of 78,500 beneficiaries will be supported in the period April-June. This will include: (i) continued food assistance for the 37,100 beneficiaries already identified for support under budget revision 15; and (ii) provision of food assistance for additional 41,410 people (7,529 households) identified by the mission as requiring relief. The PRRO will be extended from April 2013 to end-June 2013.***

TABLE 1: BENEFICIARIES BY ACTIVITY TYPE			
Activity	Current January 2008 – March 2013	Increase April-July 2013	Revised January 2008 - June 2013
Targeted food distributions	2 024 784	41 410	2 066 194
Cash transfers	125 054	0	125 054
Total	2 149 838	14 410	2 191 248

- 12. Food assistance will continue to be provided through in-kind food transfers.***

⁷ Recommendation for food assistance to the floods affected households in the Zomba district was based on the field assessment conducted by the district civil protection committee.

FOOD REQUIREMENTS

TABLE 2: FOOD REQUIREMENTS BY ACTIVITY TYPE			
Activity	Food requirements (mt) Cash/voucher (US\$)		
	Current January 2008 – March 2013	Revised April - July 2013	Revised January 2008 - June 2013
Food distributions (mt)	293 720	2 783	296 503
Cash transfers (US\$)	-	-	3 436 975

DISTRIBUTION:

DED and COO
Chief, OSLT
Country Director
OD Registry
PGG

Regional Director
Chief, OSZP, RMBP, OSZR, OSZC
Programme Officer, RMBP
Programming Assistant, RMBP
RMB

RB Programme Advisor
RB Programme Assistant
RB Chrono
Liaison Officer, OMJ