

BUDGET INCREASE TO EMERGENCY OPERATION PAKISTAN 108280

(BUDGET REVISION NUMBER 6)

“Food Assistance to Internally Displaced and Conflict Affected Persons in Pakistan’s NWFP and FATA”			
Cost (United States dollars)			
	Present budget	Increase	Revised budget
Food cost	162,327,130	124,355,033	286,682,163
External transport	18,607,601	21,105,179	39,712,780
LTSH	37,186,286	26,955,325	64,141,611
ODOC	18,718,609	18,777,214	37,495,823
DSC	16,839,203	20,906,042	37,745,245
ISC (7%)	17,757,518	14,846,915	32,604,433
Total cost to WFP	271,436,347	226,945,708	498,382,055

NATURE OF THE INCREASE

1. A budget revision to the Pakistan emergency operation (EMOP 108280) is proposed to:
 - i) undertake an extension-in-time of the EMOP from January to December 2010;
 - ii) provide an additional 250,000 mt of food valued at US\$124.4 million;
 - iii) provide additional associated costs of US\$87.7 million, consisting of external transport, landside transport, storage and handling (LTSH), direct support costs (DSC), other direct operational costs (ODOC); and
 - iv) provide additional indirect support costs (ISC) of US\$14.8 million.
2. This budget revision is proposed to meet the food requirements of 2.6 million internally displaced persons (IDPs), returnees and locally affected persons from the Federally Administered Tribal Areas (FATA) and the North West Frontier Province (NWFP) from January to December 2010. WFP’s revised requirements will be integrated into the 2010 Pakistan Humanitarian Response Plan (PHRP).

JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

3. Insecurity in FATA and NWFP has triggered significant displacement since August 2008. Initially, the IDPs were assisted under WFP protracted relief and recovery operation (PRRO 106710 “Assistance to food insecure households in Balochistan and the Federally Administered Tribal Areas”). However, with the substantial increase in IDPs and the urgency of the situation, a separate emergency operation (EMOP) 108280 started in March 2009, based on a scenario of up to 600,000 beneficiaries. Following the breakdown of the Swat peace agreement, fighting erupted resulting in additional displacement. The budget was initially revised to meet the requirements of 1.5 million beneficiaries, but later increased to 2.2 million beneficiaries.
4. WFP and the Government of Pakistan (Emergency Response Unit) have agreed to undertake a cash pilot project to compare the effectiveness and efficiency of cash versus food assistance in Buner district. Ten thousand households will receive US\$40 per month in lieu of food commodities. Roughly 70 percent of the targeted beneficiaries will be returnees and 30 percent will be residents in the areas of return (who have not left their village but have been affected by the conflict). This pilot project is expected to start in two union councils in December 2009 and should be completed by March 2010.
5. The objective of WFP assistance is to mitigate the negative impact of the conflict on the vulnerable displaced population. More specifically, WFP’s EMOP aims to:
 - Save lives and avert hunger of IDPs and conflict-affected persons (WFP Strategic Objective 1 – “save lives and protect livelihoods in emergencies”).
 - Prevent malnutrition among infants, young children and pregnant and lactating women affected by armed conflict (Strategic Objective 1).

Conclusion and recommendation of the re-assessment

6. As per registration data provided by the National Database Registration Authority (NADRA), 2.8 million IDPs had been registered and verified by the end of September.¹ Of this population, WFP has been providing food assistance to 2.4 million beneficiaries. The remaining 400,000 IDPs are either assisted by the International Committee of the Red Cross (ICRC), non-governmental organizations (NGOs) and the Government or are residing outside NWFP. A large number of IDPs started to return voluntarily to safe areas of Malakand division in August and September. In September, about 60 percent of the IDPs targeted by WFP had

¹ Registration of IDPs is done by the Social Welfare Department of NWFP. Registration data are verified by NADRA.

returned to their place of origin and received food assistance there. However, renewed fighting in early October in FATA and parts of Malakand division make it unlikely that the recent pattern of return will continue.

7. In addition, the Government has requested food assistance to locally affected persons in accessible areas of Swat and Bajaur. Preliminary assessments indicate that some 200,000 persons who were unable to leave during the height of the fighting have lost their assets and livelihoods and are in urgent need of food.
8. An inter-agency needs assessment mission² reported a rise in food insecurity levels from 28 percent prior to the crisis to 40 percent in June 2009. Households living in the affected districts have lost part or all of their livelihoods and have reduced their food intake to a bare minimum, relying mostly on food assistance. With no meat and hardly any fruits, the average food consumption score is now below 28, indicating a poor food consumption pattern. Some 88 percent of the children under 2 were being fed less often than previously.
9. The average wheat deficit in the main districts of displacement and return increased from 66 percent in 2008 to 84 percent in 2009. Because of the conflict, around 50 percent of the wheat crop was destroyed. The cultivation of maize was restricted because of insecurity; this contributed to a reversal of a surplus in 2008 to a deficit of 79 percent in 2009. Similarly, the rice deficit increased from 21 percent to 81 percent. A food balance sheet analysis reveals that the cereal gap between expected production and consumption for the next 12 months amounts to over 800,000 mt. The conflict has been devastating for the region's economic activities. A rapid assessment of the socio-economic situation of Swat conducted in August 2009 showed that 82 percent of the population that either returned or never left were more vulnerable and poorer compared to May 2009.³ The average loss of income amounted to 73 percent, with 53 percent of households reporting to be indebted.
10. The 2010 PHRP planning scenario is based on the following assumptions:
 - A comprehensive peace in NWFP and FATA is unlikely to materialise in 2010.
 - Active insurgency and military manoeuvres are expected to continue, albeit at a lower level than experienced in 2009.
 - Displacement and return patterns are expected to fluctuate.
 - In Malakand division, occasional militant attacks, low-level counter-insurgency and search and arrest operations are expected to cause relatively small displacements while limiting, at times, the access of humanitarian agencies to returnees and locally affected persons.

² Needs Assessment Inter-Agency Survey Report (McRAM June 2009). Participating agencies include UNICEF, UNFPA, WHO, WFP, UNDP, IOM, FAO, UNHCR, UNHABITAT, UNESCO, ILO, the Pakistan Humanitarian Forum, Children First, IFRC, ICRC, UNDSS, NDMA, WSP and host communities.

³ Swat Rapid Assessment Report, NWFP, Pakistan – Save the Children, August 2009.

- In FATA and South Waziristan, military operations have become more intensive. Bajaur and Khyber are likely to remain unstable. Sectarian violence in Kurram and Orakzai may contribute to additional tension.
 - Possible spill-over of the conflict into Baluchistan resulting from military operations on both sides of the border may require further humanitarian response.
11. Given the simultaneous occurrence of IDP return and new displacements, and the presence of conflict-affected persons requiring support in their home areas, continued humanitarian assistance will be required throughout 2010.

Purpose of budget increase

12. The purpose of the budget increase is to meet the food requirements of up to 2.6 million beneficiaries from January to December 2010. During January and February, the beneficiary planning figure is 2.6 million, which includes an estimated 1.4 million returnees, 1 million IDPs and 200,000 locally affected people. As people continue to return to their areas of origin, the number of IDPs is expected to decline over the course of the year. Returnees and locally affected people will receive WFP assistance under this EMOP until March 2010. From April 2010 onwards, WFP will support the returnees and locally affected people through early recovery activities under the PRRO 106710. Therefore, the beneficiary planning figure under this EMOP is expected to decrease to 960,000 people in April 2010 and to 800,000 people from September onwards. These are early estimates: given the fluidity of the situation, these planning figures may be reviewed again. Should a large military offensive take place, resulting in new displacements, another budget revision may be required.
13. General food distributions will take place on a monthly basis. The ration has been determined to meet the needs of a family of six persons. Blanket feeding for infants and small children will take place alongside the general food distributions to prevent malnutrition. Ready-to-use supplementary foods (RUSF) will be provided to children 6-23 months, while children aged 2-12 years will receive high-energy biscuits (HEBs). Based on population statistics, each family will receive RUSF and HEB for an average of one child aged 6-23 months and two children aged 2-12 years.

14. The monthly planning figure of the beneficiaries is given in table 1.

Table 1: Beneficiaries by month

Month	Planned	Actual
Beneficiaries in 2009		
March	365,000	365,000
April	450,000	450,000
May	2,600,000	2,600,000
June	2,200,000	2,200,000
July	2,200,000	2,150,000
August	2,200,000	2,200,000
September	2,200,000	2,500,000
October	2,200,000	2,600,000
November	2,200,000	
December	2,200,000	
Beneficiaries in 2010		
January	2,600,000	
February	2,600,000	
March	1,160,000	
April	960,000	
May	960,000	
June	960,000	
July	960,000	
August	960,000	
September	800,000	
October	800,000	
November	800,000	
December	800,000	

FOOD REQUIREMENTS

15. The proposed extension of food assistance for up to 2.6 million IDPs, returnees and locally affected people during 2010 will lead to a net increase of 250,000 mt of food commodities. This will increase the total food requirements for EMOP 108280 from

372,000 mt to 622,000 mt. The revised food requirements per month are shown in table 2.

Table 2: Food requirements by month

Month	Planned	Actual
Requirements in 2009		
March	3,900	3,900
April	4,500	4,500
May	47,278	47,278
June	38,182	20,359
July	38,182	28,871
August	38,079	32,262
September	37,988	34,646
October	38,041	43,245
November	38,076	
December	38,207	
Total	322,433	
Requirements in 2010		
January	45,023	
February	45,023	
March	20,087	
April	16,624	
May	16,624	
June	16,624	
July	16,624	
August	16,624	
September	13,853	
October	13,853	
November	13,853	
December	15,219	
Contingency*	53,490	
Total	303,521	

*The 2009 contingency stock has been carried forward to 2010 in case of any unexpected increase in the number of IDPs.

16. The food rations will remain the same and are specified in the following table:

Table 3 – Food rations by activity

Activity	Rations per person per day (grams)								Kcal
	Wheat flour	Pulses	Oil	Sugar	Salt	Tea	RUSF	HEB	
General food distribution	444	44	26	22	6	2			2,024
Blanket Feeding (children 6-23 months)							50		260
Blanket Feeding (children 2-12 years)								75	338

17. *Implementation arrangements:* The existing implementation arrangements through NGO partners will be maintained. The NGO partners take receipt of food from WFP at mutually-agreed extended delivery points (EDPs) established at the district level. For IDPs residing in camps, food is delivered to the camps and distributed to families by the NGO partners. NGO partners will then be responsible for undertaking the food distributions to registered and verified IDPs, returnees and locally affected people, and for reporting on food distributions.

18. *Monitoring:* WFP, the Social Welfare Department (SWD), FATA Secretariat, district authorities and cooperating partners will be involved in the monitoring of the operation. WFP will conduct direct monitoring in the humanitarian hubs that are accessible to United Nations staff (about half of the humanitarian hubs). In the other areas which are not accessible to WFP staff, NGOs will be responsible for monitoring. For accountability and reliability of information, the NGOs responsible for food distribution will not be involved in monitoring. All WFP hubs are connected to a network in which beneficiary profiles can be seen from all locations through an electronic database. This on-line system prevents beneficiaries from collecting their food rations from different locations in any given month.

19. *Coordination:* WFP's assistance is provided in close collaboration with the Government, United Nations agencies, ICRC and NGOs. Effective coordination mechanisms are in place to avoid duplication of the Government's own efforts with those of the humanitarian community. At the federal level, a "Special Support Group" provides overall coordination and leads the government activities. The National Disaster Management Authority (NDMA) and its provincial counterparts (PDMA), the Provincial Relief Commissioner (PRC) and the SWD are partners for policy decisions at the federal and provincial levels. Common coordination and response mechanisms have also been established at the field level. Under the Inter-Agency Country Team, WFP leads the Food and Agriculture and Logistics clusters.

The Government has requested that all national and international food donations be channelled through WFP (except for the ICRC).

20. *Partnerships:* WFP works closely with the Office of the United Nations High Commissioner for Refugees (UNHCR), which supports the NWFP Department of Social Welfare with IDP registration and verification, and complements WFP food rations with crucial non-food items. The Food and Agriculture Organization of the United Nations (FAO) and the United Nations Children’s Fund (UNICEF) are active partners in the food security and nutrition sectors. UNICEF will be the key partner for the provision of supplementary food to children.

21. *Security:* Security is expected to constrain access to some areas for both WFP and NGO partners. Following the suicide bombing in the WFP office on 5 October 2009 and the increase of the United Nations security phase to level IV⁴ in NWFP and FATA, the United Nations agencies have been strengthening their security measures. This proposed budget includes additional costs to improve the security of WFP staff in WFP offices, warehouses, guesthouses, logistics hubs and vehicles. The security of NGO partners and IDPs at humanitarian hubs and other areas is also being reviewed. Under the current security set-up, 3 to 4 police officers and 5 to 8 WFP security guards are present in each hub. Additional costs for strengthening the security of NGO partners and IDPs have been built into this budget revision. These include the provision of first aid training and trauma kits.

APPROVAL

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Date:

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⁴ United Nations security phase IV is “programme suspension”: all staff who are not directly concerned with EMOP are relocated outside the country

BUDGET INCREASE COST BREAKDOWN			
	Quantity (mt)	Average Cost per Ton	Value (dollars)
WFP COSTS			
A. Direct operational costs			
Commodity ⁵			
Cereals	192,837	373	71,848,920
Yellow Split Peas	19,146	490	9,380,474
Vegetable oil	11,010	1,060	11,671,387
Iodized salt	2,393	70	167,587
Sugar	9,574	630	6,040,377
Black Tea	718	3,175	2,279,349
HEB	10,765	1,231	13,252,870
RUSF	3,590	2,706	9,714,068
Total commodities	250,033		124,355,033
External transport			21,105,179
Landside transport			26,955,325
Subtotal for ITSH			
Total LTSH			26,955,325
Other direct operational costs			18,777,214
Total direct operational costs			191,192,751
B. Direct support costs (see Annex II for details)			
Total direct support costs			20,906,042
C. Indirect support costs (7 percent of total direct costs)			14,846,915
TOTAL WFP COSTS			226,945,708

⁵ This is a notional food basket used for budgeting and approval purposes. The precise mix and actual quantities of commodities to be supplied to the project, as in all WFP-assisted projects, may vary over time depending on the availability of commodities to WFP and domestically within the recipient country.

ANNEX I B

DIRECT SUPPORT REQUIREMENTS (US\$)

Staff	
International professional staff	3,534,720
National professional officers	301,400
Temporary assistance	3,230,825
Local Staff – General Service	149,600
Hardship Allowance & Hazard Pay	312,852
International Consultants	
Staff duty travel	619,888
Overtime	9,200
Staff training and development	
Subtotal	8,158,485
Office expenses and other recurrent costs	
Rental of facility	749,760
Utilities (general)	139,920
Office supplies & Other Consumables	1,935,212
Communication and IT services	458,700
Insurance	
Equipment repair and maintenance	16,500
Vehicle maintenance and running cost	579,212
Office set-up and Repairs	1,819,272
United Nations Organizations Services	
Subtotal	5,698,576
Equipment and other fixed costs	
Vehicle leasing	142,800
TC/IT equipment	2,809,592
Local Security Costs Planning	4,096,589
Subtotal	7,048,981
TOTAL DIRECT SUPPORT COSTS	20,906,042

ANNEX II - Log Frame Summary of Pakistan: EMOP 108280

STRATEGIC OBJECTIVE 1: SAVE LIVES AND PROTECT LIVELIHOODS IN EMERGENCIES		
Goal:		
<ol style="list-style-type: none"> 1. To reduce moderate malnutrition caused by the displacement of the population. 2. To reach IDPs whose food and nutrition security has been adversely affected by the armed conflict in NWFP and FATA in Pakistan. 		
Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
Outcome 1: Reduced or stabilized moderate malnutrition in children in the camps and host population	Mid-upper arm circumference (MUAC) Target: 15% below 12.5 cm	Timely resourcing of the commodities by donors. <ul style="list-style-type: none"> • Sufficient supply of fortified supplementary foods.
Outcome 2 : Improved food consumption during the assistance period for targeted displaced population.	Household Food Consumption Score – score exceeds threshold for 80% of households	<ul style="list-style-type: none"> • Accessibility due to security
Output 1 /2: Food items distributed in sufficient quantity and quality to targeted women, men, girls and boys under secure conditions.	<ul style="list-style-type: none"> • Number of women, men, girls and boys receiving food under general food distribution as % of planned figures (600,000 beneficiaries); • Number of children given food under blanket feeding as % of a planned figures (254,000 children); • Tonnage of food distributed as % of planned distribution; • Quantity of fortified food and supplementary foods distributed as % of planned distribution; • Quantity of fortified food and supplementary foods distributed as % of actual distribution. 	<ul style="list-style-type: none"> • Accessibility due to security; • Availability of partners with the capacity to implement the programmes. • Targeting and selection criteria established and adhered to. • Government commitment to continue supporting the programmes.