

Bolivia PRRO 108360
B/R No.: 2

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	US\$ 8,583,056	US\$ 1,036,900	US\$ 9,619,956
External transport	US\$ 426,726	US\$ 0	US\$ 426,726
LTSH	US\$ 761,712	US\$ 34,668	US\$ 796,380
ODOC	US\$ 430,412	US\$ 324,376	US\$ 754,788
DSC	US\$ 1,261,566	US\$ 470,883	US\$ 1,732,449
ISC (7%)	US\$ 802,443	US\$ 130,678	US\$ 933,121
Total WFP cost (US\$)	US\$ 12,265,914	US\$ 1,997,505	US\$ 14,263,419

<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 type="checkbox"/> Additional external transport	<input checked="" type="checkbox"/> Extension or Reduction in time	<input type="checkbox"/> Other	

NATURE OF THE INCREASE

1. Extension in time until 30 September 2012 to absorb and implement new contributions to consolidate the handing over.
2. Increase of Commodity, LTSH, ODOC and DSC for planning years 2011 and 2012. Total project budget will increase by US\$1,997,505 which represents about a 16 percent increase of the total budget.
3. LTSH rate modification as a result of the latest review.

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JUSTIFICATION FOR EXTENSION-IN-TIME AND/OR BUDGET INCREASE

Summary of existing project activities

1. PRRO 108360 was approved in June 2009 to support the recovery of food insecure households affected by consecutive disasters in 45 municipalities identified through the Emergency Food Security Assessment. The operation involves four components aimed at recovering and protecting livelihoods of the most affected households: improve the nutritional status of pregnant/lactating mothers and children ages 2-6, improve enrolment and attendance in selected schools, develop emergency preparedness and response capacities of local governments, and provide relief to victims of new shocks.

Conclusion and recommendation of the re-assessment

2. During the implementation of the project a number of follow up assessments have been carried out. The most recent and relevant are: (i) a WFP-UNICEF-ACF joint food security and nutrition assessment (April 2011) in the recently drought affected area of El Chaco, one of the major intervention areas of the project. The most relevant findings are that 28% of the households (some 30,000 people) are suffering of food insecurity, out of which 7% are under the severe category. Chronic malnutrition of children below 5 years is 20% and up to 57% suffer of anemia. The livelihoods and access to food of most of the rural households are under highly vulnerable to climate disasters. One of the main recommendations is to implement disaster risk reduction activities. (ii) An in-depth EFSA has been carried out in October 2010 in the lowlands (Departments of Beni, Pando, Cochabamba and Santa Cruz) where the PRRO is working to recover flood-affected families. Particularly concerning was the finding that the acute malnutrition prevalence in children below 5 years in this region was as high as 8.5%. This area has been hit by floods during the implementation of the PRRO in 2010 and 2011.

Purpose of extension and/or budget revision

3. In line with Directive RM2009-001/OD2009/001 the extension-in-time until 30 September 2012 includes a budget increase of US\$2,036,217. The project period was extended until 30 September 2011 through BR-1. The two new contributions principally of capacity building activities involve an implementation period of at least one year starting in September 2011.
4. During the additional one-year extension, WFP will:
 - Implement a capacity building intervention in the recurrently drought-affected region of El Chaco through the component 3 of the current PRRO 108360. Along with other partners, WFP will improve the early warning, preparedness and response capacities of local authorities and beneficiaries in a region where the project is present and has been supporting the recovery of thousands of families. No food distribution is involved under this intervention. A donor has already confirmed its support to implement these activities.
 - Extend the implementation of the PRRO components 1,2 and 3 in four municipalities (San Ignacio, San Andres, Loreto and San Javier) in the Department of Beni through the UNICEF-FAO-WFP joint project "Strengthening the Human Security of indigenous communities through the integral support to their resilience, response capacity and food security situation". As this area is currently implementing the PRRO in this

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municipalities, the additional resources will allow to prevent further deterioration of the nutritional status of children and mothers due to recent floods, to protect livelihoods through the construction of elevated productive platforms, irrigation systems and natural dikes, to establish nutritional surveillance and early warning systems, and to improve the preparedness capacity of the local authorities. Approximately 8,000 persons will be supported through this intervention. A donor has already approved the concept note of the joint programme.

- Create a contingency open planning value for 2012 to be able to rapidly respond to the effects of the next rainy season in the first quarter of the year. Based on the experience of 5 consecutive major floods during the last 6 years due to El Niño and La Niña phenomenon, WFP Bolivia needs to be ready to support the Government to provide relief to flood affected families. PRRO proved to be an efficient tool to rapidly respond to new emergencies. The estimated number of affected families (35,000 persons) and food needs (1,022 mt) were calculated based on the history of the last 2 years emergency responses. .
5. The LTSH matrix has been reviewed modifying the rate from US\$65.25 to US\$53.71 is also considered in this budget revision plus the respective changes in the project cost.
 6. As per beneficiaries, during the extension period the number of beneficiaries will be reduced. During the 3-month extension in 2011, 4,000 additional beneficiaries will be added (under the MCHN support) to the planned number of beneficiaries for this year. In the extension period of 2012, the PRRO will no longer assist the regular caseload, but only the beneficiaries under the two confirmed contributions and those affected by new emergencies.

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE 2011			
	Beneficiaries		
Activity	Present	Increase	Revised
1. Livelihoods recovery and protection	100,000		
2. Education and basic nutrition & health	44,500	4,000	48,500
4. Relief response to new emergencies	100,000		100,000
Total	244,500	4,000	248,500

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE 2012			
	Beneficiaries		
Activity	Present	Increase	Revised
1. Livelihoods recovery and protection		4,000	4,000
2. Education and basic nutrition & health		4,000	4,000
4. Relief response to new emergencies		35,000	35,000

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Total		43,000	43,000
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FOOD REQUIREMENTS

7. Most of the increased tonnage is part of the contingency open planning. The new contributions will support mainly non-food capacity building activities. The rations of the current project will not be modified. The specific calculations of the additional tonnage is provided in the budget template.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE			
	Food requirement (mt)		
Activity	Present	Increase	Revised
PRRO 108360	11,674	1,286.5	12,960.3
Total	11,674	1,286.5	1,286.5

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