

Algeria PRRO 200034
B/R No.: 1

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>				
Programme Officer, RMBP
Chief, RMBP
Chief, ODLT (change in LTSH and/or External Transport)
<u>APPROVAL</u>				
<input checked="" type="checkbox"/> Regional Director

PROJECT	Previous Budget US\$	Revision US\$	New Budget US\$
Food cost	18,712,909	2,696,802	21,409,710
External transport	3,246,951	360,574	3,607,525
LTSH	4,518,627	513,129	5,031,756
ODOC	382,525	1,124,161	1,506,686
DSC	2,221,325	130,463	2,351,788
ISC (7%)	2,035,764	337,759	2,373,523
Total WFP cost (US\$)	31,118,100	5,162,888	36,280,988

<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 checked="" type="checkbox"/> Extension in time	<input type="checkbox"/> Other	

NATURE OF THE INCREASE

1. This budget revision allows for the extension of the project for two additional months, November and December 2011 to align the project end date with the end of the calendar year together with the commodities and associated costs required for this extension, as well as various project management issues:
 - a. Increased number of students for the school feeding activity, from 25,000 to 27,400, starting May 2010 to December 2011; this aligns the number of students to the actual number in 2010 and expected number for the 2010-2011 school year. The increase in

- students, as well as the extension in time, results in an increase of HEB (16 mt in 2010 and 86 mt in 2011) for the FFE activity.
- b. Inclusion of 44 mt cheese donated by Switzerland
 - c. Substitution of 254 mt wheat flour with an equivalent amount of pasta as required by the Italian donation.
 - d. Inclusion of US\$1,078,008 under ODOC for warehouse and clinic storage construction to funded by an ECHO contribution; this ECHO donation was made under the previous project 101722 and the unspent balance is now being rolled over to the new project to allow the work to continue.
 - e. Amendment of the DSC costing given the removal of hazard pay for staff based in Algiers as their duty station

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

Summary of existing project activities

2. WFP has been providing food assistance to the refugees from Western Sahara since 1986 when the Government of Algeria requested the support of the international community. In the absence of a durable political solution which would enable the refugees to return home, and given the very limited opportunities for self-reliance since the refugees live in the arid, desert environment of Tindouf in South-Western Algeria, these beneficiaries continue to depend on international humanitarian assistance for their survival. The UNHCR / WFP Joint Assessment Mission (JAM) conducted in September / October 2009 therefore recommended continued assistance through another protracted relief and recovery operation which was subsequently approved for the 18-month period from 1 May 2010- 31 October 2009. This recommendation reinforces the findings of the joint food / nutrition survey undertaken by WFP and Medicos del Mundo in April / May 2008 which revealed high levels of malnutrition amongst pregnant women, nursing mothers and children under five.
3. The main role of the food aid is to cover the basic food needs of the most vulnerable camp inhabitants and to support their livelihoods. WFP provides 125,000 general food rations to the most vulnerable refugees in the camps in Tindouf area along with additional nutritional support through supplementary feeding for 10,000 pregnant women / lactating mothers and malnourished children and school feeding for 27,400 students in primary schools to reduce short-term hunger and thereby enhance their education as well as address micronutrient deficiencies.

Conclusion and recommendation of the re-assessment

4. There have been no additional assessments since the current PRRO 200034 was approved in May 2010.
5. Following lengthy negotiations between the different stakeholders, the project was approved for a period of 18 months. However, the extension in time till the end of 2011 will allow continued assistance to the beneficiaries and bring the WFP project cycle into line with those of its principal partners such as UNHCR and the Government of Algeria as well as the local funding cycles of ECHO, one of the main donors to the programme.

Purpose of extension and/or budget increase

6. This BR does not change the focus, implementation strategy or expected outcomes of the project. However the revisions to the project will allow the following:
 - a. Continuation of the project for the final two months of 2011 along with the required additional commodities and associated costs.
 - b. WFP planning numbers for the school feeding component of the project will be aligned with the revised primary school student numbers following the re-registration.
 - c. The inclusion of additional commodities (44 mt cheese and 254 mt pasta) donated by Switzerland and Italy respectively.
 - d. The continuation of the ECHO-funded works to improve and expand the central storage facilities for WFP commodities and the storage facilities at the health centres for WFP's supplementary feeding activities by rolling over the funding to the new project. This will ensure that commodities are no longer stored in old containers and the consequent damage to commodities given the summer temperatures in this area which are currently in excess of 50 degrees Celsius.
 - e. Following the apparent improvement in the security situation in Algiers, international staff entitlement to hazard pay has been removed. The DSC budget has therefore been revised to take this change into account.

FOOD REQUIREMENTS

7. The total food quantity required for achieving revised operation is presented below

TABLE 1. FOOD REQUIREMENTS BY ACTIVITY TYPE

Activity	Food distribution (mt)		
	Present	Increase	Revised
General Food Distribution	38,767	4,349	43,116
Supplementary Feeding	1,294	142	1,436
Food for Education	385	102	487
Total	40,446	4,593	45,039

8. There will be no changes in modalities of food distribution to beneficiaries.

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