

**Yemen PRRO 200038
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

	Current budget US\$	Increase US\$	Revised budget US\$
Food cost	61,493,023	2,414,058	63,907,081
External transport	1,603,482	69,388	1,672,870
LTSH	7,205,217	406,853	7,612,070
ODOC	4,647,315	0	4,647,315
DSC	6,214,899	0	6,214,899
ISC (7%)	5,681,475	202,321	5,883,796
Total cost to WFP	86,845,410	3,092,620	89,938,030

TYPE OF REVISION

- | | | | |
|---|---|--|---|
| <input checked="" type="checkbox"/> Additional commodity | <input type="checkbox"/> Additional DSC | <input type="checkbox"/> Additional ODOC | <input checked="" type="checkbox"/> Additional LTSH |
| <input checked="" type="checkbox"/> Additional external transport | <input type="checkbox"/> Extension or Reduction in time | <input type="checkbox"/> Other | |

NATURE OF THE INCREASE

1. Net increase in the commodity requirement of 3,739 MT and US\$ 2,414,058 as a result of expanding the emergency food response to assist a larger number of newly displaced families;
2. Additional external transport and landside transport, storage and handling (LTSH) costs in line with the increased food tonnage;
3. zero ODOC and DSC increase as 2011 planned budget is already a reasonable estimate of the total ODOC and DSC costs.

JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

4. This PRRO is the central operation of WFP Yemen's portfolio addressing very high food insecurity and malnutrition. It was developed in response to WFP's 2010 Comprehensive Food Security Survey (CFSS), and as a follow-up to the emergency operation targeting vulnerable populations affected by high food prices. During its two-year duration (01 January 2011 to 31 December 2012), the PRRO aims to stabilize the acute food insecurity and malnutrition situation.
5. The current PRRO has four components:
 - a. A nutrition component that addresses moderate acute malnutrition (MAM) through a combination of preventative and curative approaches in supplementary feeding (blanket supplementary feeding programme for children under 2 and targeted supplementary feeding programme for children under 5, and pregnant and lactating women);
 - b. A seasonal Emergency Safety Net (ESN) assisting 1.8 million severely food-insecure persons throughout the 'hunger' period (May to October) by providing beneficiaries with food transfers to cover their residual caloric gap. In 2011, WFP is also piloting an unconditional cash transfer scheme in parallel with the seasonal food transfers under the ESN. The pilot will enable WFP to assess the comparative advantages of food versus cash transfers in addressing severe food insecurity in Yemen.
 - c. A food-for-work (FFW) component which targets rural households living in food-insecure areas with a view towards improving household access to food, by offering temporary work opportunities that improve longer-term food security;
 - d. An emergency food response providing either wet or dry food rations to vulnerable populations displaced by ongoing civil unrest, political insecurity and natural disasters.

Conclusion and recommendation of the Re-Assessment

6. Yemen is facing an increasingly complex and deteriorating humanitarian situation, exacerbated by new and sustained shocks including an uncertain political stalemate, rising civil unrest and violent insecurity.
7. In late May, militants allegedly linked to Al-Qaeda in the Arabian Peninsula took control of Zinjibar, the capital of Abyan governorate in southern Yemen. Heavy clashes between government forces and the militants continue in and around the city.
8. As the crisis unfolded, WFP Yemen conducted a rapid food security assessment among the then 1,054 IDP families living in public buildings within Aden governorate. The assessment determined that some 90 percent of IDPs were entirely dependent on external assistance to meet their daily food requirements. In addition, 40 percent of all IDPs stated that food was their most pressing need. More than half of the families indicated that they had left with no assets apart from the clothes they wore, and most had sold gold jewellery and other assets to pay for transport away from Abyan.
9. On 4 June 2011, WFP Yemen started to provide food assistance to Abyan IDPs sheltered in school buildings. The cluster system has been implemented in Yemen, and other actors, including Islamic Relief Yemen and the International Committee of the Red Cross have been providing food assistance to IDPs living with host families in Aden, and those in Lahj governorate respectively. Health, WASH, NFI and protection services are provided by humanitarian actors in the respective clusters.
10. As of 4 July 2011, more than 8,500 displaced families (approximately 60,000 persons) who fled the fighting have been registered in the governorates of Abyan, Aden and Lahj. In Aden City, approximately 3,500 families have been sheltered in vacant school buildings.
11. WFP is also holding discussions with the IOM regarding the extension of support to previously unassisted IDPs within Abyan governorate. IOM has already distributed NFIs to registered IDPs in Abyan. IOM's rapid field assessment indicated that the availability of basic commodities in markets in the already food-insecure area was further threatened, and that beneficiaries articulated that food assistance was their most pressing need.
12. Other actors are gradually depleting their stocks and WFP needs to be prepared to assume greater responsibility. A single, harmonized food pipeline also appears to be the preference of the Government of Yemen.

Purpose of Budget Increase

13. Given ongoing insecurity and displacement in southern Yemen, this budget revision requests an increase in the small-scale emergency food response component during August to December 2011 to provide assistance to an increased number of newly-displaced families.
14. In this period, WFP Yemen plans to provide food assistance to 9,000 displaced families (approximately 63,000 persons) per month scattered across Aden, Lahj and Abyan

governorates. Thus, in addition to the 3,000 families already included under this PRRO, this budget revision envisages an increase of 6,000 families (42,000 persons).

Table 1: Beneficiaries by Activity Type/Component (2011)

Activity	Category of beneficiaries	Beneficiaries		
		Current	Increase	Revised
Treatment MAM (Children 6-59 months)	Vulnerable group	106,000	-	106,000
Prevention of acute malnutrition (Children 6-24 months)		206,000	-	206,000
Treatment of acute malnutrition (Pregnant & lactating women)		44,000	-	44,000
Emergency Safety Net (ESN)	Severely food-insecure households	1,742,000	-	1,742,000
Food for Work (FFW)	Food-insecure households	17,500	-	17,500
Emergency Food Response	IDPs and disaster-affected	21,000	42,000	63,000
	Stranded Migrants	3,000	-	3,000
Total		2,090,848*	42,000	2,132,848*

* The total number of beneficiaries has been adjusted to avoid double-counting of beneficiaries who are included under both ESN food distributions and supplementary feeding.

FOOD REQUIREMENTS

15. The additional food quantities required for achieving the revised project are provided below.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE

Activity	Food requirement (mt)		
	Present	Increase	Revised
Treatment MAM (children 6-59 months)	2,237	-	2,237
Prevention acute malnutrition (children 6-24 months)	8,348	-	8,348
Treatment MAM (pregnant & lactating women)	7,009	-	7,009
ESN	40,802	-	40,802
FFW	6,301	-	6,301
Emergency Food Response (Dry)	2,617	3,739	6,356
Emergency Food Response (Wet)	183	-	183
Total	67,497	3,739	71,236

16. WFP will follow standard commodity procurement procedures, sourcing the most cost-effective market whether international, regional or local.
17. The modalities of food distribution for the Emergency Food Response for persons displaced due to political and security concerns or natural disasters will not be altered by this budget revision. WFP will continue establish *ad hoc* food management committees to liaise with the affected local communities and develop context-specific distribution modalities as required.
18. With specific regard to families displaced by ongoing fighting in Abyan governorate, southern Yemen, WFP Yemen is entering into field-level partnership agreements with a local NGO, Society for Humanitarian Solidarity (SHS), and the International Organization for Migration (IOM) who will conduct distributions under the regular WFP oversight mechanisms.

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