

BUDGET INCREASE 3 TO BURKINA FASO PROTRACTED RELIEF AND RECOVERY OPERATION 200054

Preventing Malnutrition and Protecting Livelihoods in Burkina Faso

Start date: 1/1/2010 End date: 31/12/2012

Cost (United States dollars)

	Current budget	Increase	Revised budget
Food	31,571,272	4,011,151	35,582,423
Cash	1,230,615	8,411,103	9,641,718
External transport	1,878,319	729,468	2,607,787
LTSH	6,975,546	1,761,905	8,737,451
ODOC	2,816,256	1,647,686	4,463,942
DSC	5,779,678	1,234,341	7,014,019
ISC (7.0 percent)	3,517,618	1,245,696	4,763,314
Total cost to WFP	53,769,304	19,041,350	72,810,654

NATURE OF THE INCREASE

1. In response to the findings of the Government/WFP joint emergency food security assessment (EFSA) mission of April 2012, this budget revision (number 3) will:
 - expand the number of beneficiaries receiving targeted food assistance during the peak of the lean season (July-October) to reach an additional 880,000 people, which will bring the total number of beneficiaries assisted under the protracted relief and recovery operation (PRRO) to 2.6 million;
 - expand WFP's geographical coverage in the PRRO from 170 districts to 186 districts (i.e. from seven to ten regions); and
 - introduce cash transfers in seven of the ten target regions for 556,000 of the targeted 880,000 people.
2. The budget increase includes:
 - additional 8,282 mt of food valued at US\$4 million and cash transfers of US\$8.4 million;
 - additional associated costs of US\$5.4 million, comprising external transport, landside transport, storage and handling, other direct operational costs and direct support costs; and,
 - additional indirect support costs of US\$1.2 million.



JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

3. PRRO 200054 was launched in January 2010 to respond to the nutrition situation in Burkina Faso. The PRRO aims to reduce acute malnutrition to below emergency levels by focusing on both prevention and treatment of acute malnutrition (Strategic Objective 1).¹ Under the relief component, targeted supplementary feeding supports rehabilitation of moderately malnourished children under 5 and pregnant and lactating women. The recovery component focuses on prevention of malnutrition and behavioural change to overcome cultural and social factors that may prevent mothers and children from receiving care. Prevention of malnutrition activities include distribution of a ration to children under 2 during the lean season. While nutrition activities were initially planned for eight regions, due to resource constraints and pipeline breaks, WFP had to prioritize the most vulnerable regions – the East, North and Sahel.
4. The PRRO had originally included activities to strengthen the Government's capacity to respond to food security crises (Strategic Objective 2).² However, these activities are now undertaken in the country programme (CP) 200163 (2011–2015).
5. The PRRO complements the WFP CP, which aims to reduce chronic food insecurity and support disaster-prevention measures, targeting the same three most vulnerable regions of Burkina Faso (East, North and Sahel). The CP focuses on: i) school feeding, nutritional support, food-for-work and cash-for-work activities to strengthen community resilience against natural disasters; and ii) reinforcement of the agricultural sector and food processing/fortification. Where the PRRO's expanded relief activities overlap geographically with CP interventions, the CP activities have been suspended. Nutrition interventions implemented under the PRRO will shift to the CP when the prevalence of global acute malnutrition (wasting) falls below 10 percent in the targeted regions.
6. Previous budget revisions have: extended the PRRO until December 2012; expanded the treatment of moderate acute malnutrition among children aged 6-59 months and pregnant and lactating women into four additional regions; expanded blanket supplementary feeding to prevent acute malnutrition among children aged 6-23 months into four additional regions; and introduced targeted food assistance during the lean season (July-October) and cash/food-for-work activities to assist food-insecure households in the seven targeted regions.³
7. Following insecurity in northern Mali, WFP had been providing general food distributions from March-May 2012 to 25,000 Malian refugees and 7,500 host community members under immediate response emergency operation 200405. From June, WFP has been supporting the refugees through a regional emergency operation 200438, while the host community will continue to receive assistance under this PRRO.

¹ Strategic Objective 1: Save lives and protect livelihoods in emergencies.

² Strategic Objective 2: Prevent acute hunger and invest in disaster preparedness and mitigation measures.

³ Prevention of acute malnutrition (blanket supplementary feeding) and treatment of moderate acute malnutrition (targeted supplementary feeding) activities under the current CP have been replaced and scaled-up in the PRRO. The food-for-work/cash-for-work activities under the current CP ended in June 2012.



Conclusions and recommendations of the assessments

8. For the 2011/2012 agricultural season, Burkina Faso had an unprecedented cereal deficit of 154,000 mt, with cereal production 20 percent lower than in the previous season and 5 percent less than the five-year average. Moreover, for the ten-most affected regions, cereal production is 35 percent lower than the five-year average.⁴ A succession of follow-up joint surveys and assessments led by the Government have highlighted similar or progressively aggravated food insecurity factors, including an increase in number of severely affected districts and households.
9. The Government-led response plan launched in December 2011 prioritised three areas for intervention: i) food security, ii) nutrition, and iii) agriculture & pastoralism. The plan estimated the number of people at risk of food insecurity in the ten most-affected regions at 2.85 million during the lean season (July-October 2012), with moderately malnourished children at over 400,000 and severely malnourished children at 100,000.⁵ WFP planned to provide food assistance during the lean period for the communities that were identified as most at risk, aiming to reach 285,000 people through targeted food assistance and 123,000 through food/cash-for-work activities, with around 1.3 million children and women to be assisted by nutrition activities. The Government and other humanitarian agencies were expected to cover the rest of the affected community, but some partners have had difficulty responding as initially envisaged.
10. A joint Government/WFP EFSA in April 2012 in the ten most-affected regions showed that 8 percent of households have 'poor' food consumption and 48 percent have 'borderline' food consumption, confirming the findings of a government Household Economic Assessment in February 2012. The EFSA indicates that the poor rains have dramatically affected food production, compounded by land infertility and low-quality seeds and tools. Household food stocks are currently low and only 8 percent of households are expected to meet their food needs until the next harvest in October. Thirty percent of households headed by women are severely food-insecure and should be prioritized for targeted food assistance.
11. Due to insufficient household production, food requirements are heavily dependent on market purchases. The EFSA shows higher food expenditures to the detriment of productive investment in livelihoods (such as seeds and farm tools). Nearly 40 percent of household food expenditures is being spent on grain, confirming the lack of household production of staple foods.⁶ These factors have further exacerbated vulnerability, triggering negative and unsustainable coping strategies amongst the food-insecure, with many selling their livestock to cover their household's food needs, or consuming their seeds.
12. The EFSA indicates that around 3.5 million people are severely or moderately food-insecure in the ten regions, 1.5 million of whom are severely food insecure. Populations are affected in 186 out of a total of 302 communes. Under the reviewed response plan for coverage of the severely food-insecure population, the Government plans to assist 200,000 people, non-governmental organizations (NGOs) to assist 124,000 people and WFP to

⁴ Ministry of Agriculture. February 2012. Crop Assessment Results.

⁵ The plan does not take into account the Mali refugee influx into Burkina.

⁶ Etude de marches et de la sécurité alimentaire : Bassin Central (Burkina Faso, Cote d'Ivoire, Ghana, Mali, Togo), WFP, April 2012.



assist 1.2 million people through targeted food and cash assistance. The Government is also selling subsidized cereals in several regions.

13. As shown in WFP's regional market survey (April 2012), grain prices have an upward trend in almost all markets, notably millet and sorghum. Despite this, WFP's assessment findings suggest that markets are still functioning and can accommodate cash transfers to support food purchases. An alpha value⁷ analysis shows cash would be a cost-effective option in comparison to in-kind food in the regions of Boucle de Mouhoun, Central Plateau, Centre, Centre-East, Centre-North, Centre-South and Centre-West.
14. Building on the country office's experience with cash for work, cash transfers can also be rapidly scaled-up within a short timeframe and would be a more appropriate transfer modality in such remote and rural areas. The review of a previous cash pilot project showed that over 75 percent of beneficiaries used the cash assistance to purchase food.
15. The United Nations Children's Fund, the Food and Agriculture Organization of the United Nations and NGOs continue to implement their respective action plans. The Office for the Coordination of Humanitarian Affairs has organized the Consolidated Appeals Process.

Purpose of the budget increase

16. To support the Government's response to the food and nutrition crisis, this budget revision will enable WFP to increase coverage and geographical outreach for an additional 880,000 severely food-insecure people through targeted food assistance and cash transfers between July and October 2012. In total, WFP will reach almost 2.6 million affected beneficiaries through this PRRO.
17. Activities will be implemented in all of the ten affected regions (Boucle de Mouhoun, Central Plateau, Centre, Centre-East, Centre-North, Centre-South, Centre-West, East, North, and the Sahel) thus adding three regions to the current operation. Although these three regions have an average prevalence of wasting below 10 percent, the food insecurity is as severe as in the other seven regions and the concerned populations also require attention during the peak of the lean season. In line with WFP's strategy throughout the Sahel, unconditional food assistance is provided during the lean season when beneficiaries are involved in agricultural activities.
18. Monthly food rations will be provided to an additional 325,000 people (54,140 households) while 555,000 people (92,500 households) will receive the equivalent as cash transfers (see table 1 for a summary of beneficiaries). To help overcome the expected time-lag for procurement and delivery of food commodities and the short period for implementation, WFP will expand cash transfers in the seven targeted regions where alpha value analysis shows this would be a sufficiently cost-effective option.⁸ To mitigate market risks, food market trends (price and supply) will be closely monitored.
19. The food rations remain unchanged. The cash transfer value will be FCFA 12,000 /month (US\$23) for each household for four months, and corresponds to the average cost for a food basket in the ten affected regions, with a margin for a slight price increase during the

⁷ The alpha value compares the cost of distributing in-kind food transfers with the local market value of the same food that could be accessed using cash or voucher transfers. An alpha value of 0.75 indicates that for each US\$1 of in-kind food delivered, beneficiaries would be able to purchase the equivalent of US\$1.33 if the US\$1 were given in cash.

⁸ Boucle de Mouhoun, Central Plateau, Centre, Centre-East, Centre-North, Centre-South and Centre-West.



implementation period.⁹ This is also in line with transfer values used by NGO partners. Cash will be channeled through micro-finance institutions with a satisfactory record in similar operations.

20. Women are the preferable recipients at household level, and will be fully involved in the distribution committees.

TABLE 1: BENEFICIARIES BY ACTIVITY				
Activity	Category of Beneficiaries	Present	Increase (July-October)	Revised
Targeted food assistance		285,000	324,820	609,820
Targeted cash assistance			555,180	555,180
Food for work/Cash for work		123,000		123,000
Prevention of acute malnutrition	Children 6-23 months	488,285		488,825
	Pregnant/lactating women	51,000		51,000
Support to therapeutic feeding centres	Accompanying carers	5,585		5,585
Treatment of moderate acute malnutrition	Children aged 6-59 months	678,450		678,450
	Pregnant/lactating women	213,100		213,100
Adjusted Total*		1,703,500	880,000	2,583,500

* It is expected that some families of children reached through targeted food assistance will also receive blanket supplementary feeding. The total has been adjusted to avoid double-counting beneficiaries participating in more than one activity.

Monitoring & Evaluation

21. Performance monitoring will continue through WFP's comprehensive results-based management and monitoring and evaluation system, as summarised in the logical framework (see Annex II). A monitoring and evaluation officer will continue to coordinate and oversee the work of WFP food aid monitors in the sub-offices, including food market price monitoring for alerts to any negative impact of cash injection on local markets and regular assessments of microfinance institute performance. WFP closely collaborates with the Government's cereal market information system that regularly collects market prices. Two follow-up government-led joint food assessments are planned for September and December 2012.

Risk Management

22. The main risks (contextual, programmatic and institutional) identified at the time of the preparation of the current PRRO¹⁰ remain valid in the context of this budget revision. WFP will continue to collaborate with the national Early Warning System, the Famine Early-Warning System Network, *Comité permanent inter-états de lutte contre la sécheresse dans le Sahel* (Permanent Interstate Committee for Drought Control in the Sahel) and other partners to monitor food security and provide early warning of crises.

⁹ Food basket is based on 38.25 kg/month/household and price source is SONAGES (Société Nationale de Gestion du Stock de Sécurité a government institution providing Burkina Faso's official market information).

¹⁰ http://one.wfp.org/operations/current_operations/BR/200054_1206.pdf

http://one.wfp.org/operations/current_operations/project_docs/200054.pdf



23. For the cash-based interventions, the main risks are inflation (significant food price increases), market functionality and food availability, insecurity, and misuse of cash. Lessons learned from WFP's previous experience in cash-based interventions in Burkina Faso, under WFP emergency operations 107730 and 200196 and the ongoing CP 200163 will continue to inform the management of risks for the cash modality for this PRRO.
24. If food insecurity is not averted, it may have a negative impact on the already fragile political, economic and social situation in Burkina Faso. The increasing number of refugees from Mali are placing a heavy burden on already fragile food security, mainly in the Sahel Region, which could lead to increased social-economic tensions with host communities. Fighting in northern Mali could also draw disruptive elements, such as *Al Qaida au Maghreb Islamique* (Organization of Al-Qaida in the Islamic Maghreb) to the country.
25. Early mobilization of the additional resources will be critical to allow WFP to implement activities as planned. WFP maintains close communications with donors. The activation of WFP's internal advance funding mechanisms, including the forward purchasing facility, will continue to mitigate the risk of late funding.

REQUIREMENTS

26. The proposed revision requires an increase in food commodities of 8,282 mt, plus an additional US\$8.4 million for cash transfers.
27. Internationally procured commodities can take up to four months to reach Burkina Faso, reflecting its landlocked position. Therefore WFP will attempt to maximize regional purchases and make use of the forward purchase facility. Market assessments will further determine the feasibility and scope of regional procurement.

TABLE 2: FOOD/CASH REQUIREMENTS BY ACTIVITY					
			Food (mt) and cash (US\$) requirements		
Activity		Commodity/ Cash	Present	Increase	Revised
Targeted food assistance		Commodity	7,268	8,282	15,550
Targeted Cash Assistance (US\$)		Cash	0	US\$8,411,103	US\$9,641,718
Cash for work (US\$)		Cash	US\$1,230,615	0	
Food for work		Commodity	588	0	588
Prevention of acute malnutrition	Children aged 6-59 months	Commodity	11,831	0	11,831
	Pregnant and lactating women	Commodity	4,767	0	4,767
Support to therapeutic feeding centres	accompanying mothers	Commodity	17	0	17
Treatment of moderate acute malnutrition	Children aged 6–23 months	Commodity	6,326	0	6,326
	Pregnant and lactating women	Commodity	1,222		1,222
Total (mt)			32,019	8,282	40,301



Total (US\$)	1,230,615	8,411,103	9,641,718
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RECOMMENDATION

The Executive Director is recommended to approve the proposed budget revision 3 to Burkina Faso PRRO 200054 for an increase in WFP's costs of US\$19 million.

APPROVAL

Ertharin Cousin

Date:

Executive Director
United Nations World Food Programme



ANNEX I-A

BUDGET INCREASE COST BREAKDOWN			
Food ¹¹	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	6,821	2,912,971	
Pulses	974	589,262	
Oil and fat	487	508,918	
Mixed and blended food			
Others (Salt)			
Total food	8,282	4,011,151	
Cash transfers		8,411,103	
Subtotal food and transfers			12,422,254
External transport			729,468
Landside transport, storage and handling			1,761,905
Other direct operational costs			1,647,686
Direct support costs ¹² (see Annex I-B)			1,234,341
Total WFP direct costs			17,795,654
Indirect support costs (7.0 percent) ¹³			1,245,696
TOTAL WFP COSTS			19,041,350

¹¹ This is a notional food basket for budgeting and approval. The contents may vary.

¹² Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

¹³ The indirect support cost rate may be amended by the Executive Board during the project.



ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff-related costs	
International professional staff	148 287
International general service staff	
Local staff - national officers	41 611
Local staff - general service	8 069
Local staff - temporary assistance	350 169
Local staff - overtime	10 700
Hazard pay and hardship allowance	
International consultants	
Local consultants	
United Nations volunteers	24 984
Commercial consultancy services	
Staff duty travel	324 868
Subtotal	908 688
Recurring expenses	
Rental of facility	2 800
Utilities	1 000
Office supplies and other consumables	12 900
Communications services	16 500
Equipment repair and maintenance	5 500
Vehicle running costs and maintenance	60 000
Office set-up and repairs	
United Nations organization services	
Subtotal	98 700
Equipment and capital costs	
Vehicle leasing	25 500
Communications equipment	129 800
Local security costs	71 653
Subtotal	226 953
TOTAL DIRECT SUPPORT COSTS	1 234 341

ANNEX II: Logical Framework		
Results	Performance indicators	Risks, assumptions
Strategic Objective 1: Save lives and protect livelihoods in emergencies		
Outcome 1 Reduced acute malnutrition in children 6-59 months old in targeted affected regions.	<ul style="list-style-type: none"> ➤ Prevalence of acute malnutrition among children 6-59 months old in the targeted regions (Target <10%, assessed using weight for height as %). ➤ Prevalence of low mid-upper arm circumference among children 6-59 months old in the targeted regions (Baseline 8.1%, Target<3.9%). ➤ Recovery rate of children 6-59 months old and women treated for malnutrition in the targeted regions (Target >70% alarming if <50%). ➤ Defaulting rate for children 6-59 months old and women in the targeted regions (Target <15% alarming if >30%). ➤ Non-response rate for children 6-59 months old and women in the targeted regions. ➤ Death rate for children 6-59 months old and women in the targeted regions (Baseline 3.5%, Target <3%). ➤ Number of health centres assisted 	<ul style="list-style-type: none"> ➤ Government implementation of poverty reduction strategy. ➤ Continued socio-political stability. ➤ No major cereal production shortfall or disease outbreak. ➤ Adequate human and technical capacity is available among nutrition cooperating partners.
Output 1.1 Food distributed in sufficient quantity and quality to targeted women, men, boys and girls under secure condition	<ul style="list-style-type: none"> ➤ Number of men, women, boys and girls receiving food, by gender and age group as % of planned figures. ➤ Tonnage of food distributed, by type, as % of planned distribution. ➤ Quantity of fortified foods, complementary foods and special nutritional products distributed, by type, as % of planned distribution. ➤ Quantity of fortified foods, complementary foods and special nutritional products distributed, by type, as % of actual distribution. ➤ Number of security incidents. 	



<p>Outcome 2</p> <p>Improved food consumption during assistance period for targeted drought-affected populations.</p>	<ul style="list-style-type: none"> ➤ Household food consumption score in the targeted regions >28. ➤ Household and individual food diversity score in the targeted regions (FANTA¹⁴ score >4 food groups consumed per day at least). 	<ul style="list-style-type: none"> ➤ The operation receives adequate funding from donors and in time to procure/ship before the lean season. ➤ Security remain stable in targeted regions
<p>Output 2.1</p> <p>Food and cash distributed in sufficient quantity and quality to targeted women, men, boys and girls under secure condition.</p>	<ul style="list-style-type: none"> ➤ Number of men, women, boys and girls receiving food and cash, by gender and age group as % of planned figures. ➤ Tonnage of food distributed and the amount of cash distributed, by type, as % of planned distribution. ➤ Quantity of fortified foods, complementary foods and special nutritional products distributed, by type, as % of planned distribution. ➤ Quantity of fortified foods, complementary foods and special nutritional products distributed, by type, as % of actual distribution. ➤ Number of security incidents. 	<ul style="list-style-type: none"> ➤ Adequate human and technical capacity is available among cooperating partners.

¹⁴ Food and Nutrition Technical Assistance





ANNEX III - MAP

BURKINA FASO 2012 PREVALENCE OF SEVERE AND MODERATE FOOD INSECURITY IN REGIONS AT RISK

