

**NAMIBIA PRRO 200061**  
**B/R No.: 03**

**BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<b><u>ORIGINATOR</u></b>				
Country Office or Regional Bureau on behalf of Country Office	.....	.....	.....	.....
<b><u>CLEARANCE</u></b>				
Project Budget & Programming Officer, RMBP	.....	.....	.....	.....
Chief, RMBP	.....	.....	.....	.....
Chief, ODLT (change in LTSH and/or External Transport)	.....	.....	.....	.....
<b><u>APPROVAL</u></b>				
<input type="checkbox"/> Regional Director	.....	.....	.....	.....

PROJECT			
	Previous Budget	Revision	New Budget
Food cost <sup>1</sup>	US\$ 1 486 147	US\$ 953 964	US\$ 2 440 111
External transport <sup>2</sup>	US\$ 58 194	US\$ 50 245	US\$ 108 439
LTSH <sup>3</sup>	US\$ 178 480	US\$ 109 242	US\$ 287 722
ODOC <sup>4</sup>	US\$ 25 578	US\$ 15 000	US\$ 40 578
DSC <sup>5</sup>	US\$ 207 211	US\$ 224 211	US\$ 431 422
ISC (7%) <sup>6</sup>	US\$ 136 893	US\$ 94 686	US\$ 231 579
<b>Total WFP cost (US\$)</b>	<b>US\$ 2 092 503</b>	<b>US\$ 1 447 349</b>	<b>US\$ 3 539 852</b>

**TYPE OF REVISION**

- |   |   |   |   |
|---|---|---|---|
| <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                      |   |

<sup>1</sup> Food cost can comprise both commodities and cash/voucher transfers.

<sup>2</sup> The first leg of transport for commodities: from the donor country to the recipient country port, or in cases of regional commodity purchases, from the place of purchase to the recipient country.

<sup>3</sup> Landside, Transport, Storage and Handling - LTSH comprises the actions required to (a) care for and (b) physically deliver the commodities from the completion of external transport through to final distribution.

<sup>4</sup> Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.

<sup>5</sup> Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.

<sup>6</sup> Indirect Support Costs - ISC is a fixed rate resourced from all donor contributions, which is used to cover (non-project) corporate overhead costs, i.e. PSA.

## **NATURE OF THE INCREASE**

1. This third budget revision to Namibia Protracted Relief and Recovery Operation 200061 (PRRO 200061) is required to:
  - Extend the project duration by twelve months (from 01 January 2012 up to 31 December 2012) with additional commodities for a reduced caseload of 6,000 refugees.
  - Review the operation budget plan as follows:
    - i. Increase in food commodity tonnage by 1,445 mt valued at to US\$ 953,964;
    - ii. Increase in External Transport costs by US\$ 50,245 and in Land Transport, Storage and Handling (LTSH) costs by US\$ 109,242;
    - iii. Increase in Direct Support Costs (DSC) by US\$ 224,211, in Other Direct Operational Costs (ODOC) by US\$ 15,000 and in Indirect Support Costs (ISC) by US\$ 94,686.
2. The overall budget plan will increase by US\$ 1,447,349 from US\$ 2,092,503 to US\$ 3,539,852.

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

### **Summary of existing project activities**

3. After the cessation of active conflict in Angola, joint UNHCR/IOM repatriation efforts facilitated the return of the majority of Angolan refugees back to their country of origin. However, some 6,500 people currently remain in the Osire settlement in central Namibia, which presently hosts mainly Angolans and a small number of refugees and new asylum seekers from the Great Lakes Region.
4. WFP has provided food assistance to Angolan refugees and asylum seekers since 2000, and more recently, also to those seeking refuge from insecurity in the Great Lakes region. The current WFP refugee operation extends assistance to these refugees and asylum seekers up to 31 December 2011, and provides them with general food rations to meet their basic needs. Additional assistance is given to a small number of malnourished and chronically ill children through a supplementary feeding programme aimed at improving their health and nutritional status.

### **Conclusion and recommendation of the re-assessment**

5. Preliminary results from the recently concluded Joint Assessment Mission (JAM) reveal that food aid is the most important source of nutrition for 97 percent of refugee households and recommend continuation of food assistance to refugees until the end of 2012 along with enhanced efforts to support the Government of Namibia in identifying and implementing durable solutions. The JAM concluded that while the majority of the refugee population is food insecure and heavily dependent on food aid to survive, some 17 percent of households at the Osire settlement are able to supplement their food intake through casual labour and business within the settlement.
6. The JAM findings are supported by the Refugees Verification and Profiling exercise conducted by UNHCR and the Government, which indicates that the majority of refugees and asylum seekers at the Osire settlement do not have the skills or inputs that would allow them to support themselves in the absence of food assistance. While the government of Namibia has allocated

land for refugees to cultivate and grow their own food, limited rights prevent them from freely accessing labour markets, and further aggravate the vulnerability of the refugees and asylum seekers residing at the Osire settlement.

7. The 2010 nutritional survey which assessed nearly 450 children<sup>7</sup>, between the ages of 6-59 months who reside in Osire Settlement revealed a slight increase in Global Acute Malnutrition (GAM) from 1.7 percent in 2009 to 4.5 percent in 2010. This situation is attributed to high defaulter rates, poor feeding practices<sup>8</sup> and to some extent some major pipeline breaks in the food supply of essential commodities experienced in 2010. Although malnutrition was found to be within acceptable levels (less than five percent), the number of children exhibiting stunted growth was alarming (24.5 percent). Continuous provision of supplementary food is essential to ensure low malnutrition rates in Osire settlement.

### **Purpose of extension and budget increase**

8. Over the past two years, the Government of Namibia, along with United Nations and donors, have engaged in dialogue to identify and implement durable solutions for the refugees. Although voluntary repatriation has been the most preferred and promoted durable solution, 98 percent of the refugees in Osire settlement indicated that they would not wish to return to their countries of origin<sup>9</sup>. Consequently a previous decision to apply the cessation clause for Angolan refugees at the end of December 2011 was recently reversed and a new date for the implementation of the cessation clause has been set for 30 June 2012 to allow for more efforts towards the repatriation of refugees back to their country of origin.
9. In light of the anticipated invocation of the cessation clause, UNHCR has requested WFP to continue providing food assistance to the refugees in Osire settlement until December 2012, when international protection and material assistance will no longer be required. The proposed extension in time will therefore allow WFP to gradually scale down its food assistance and smoothly handover responsibilities to UNHCR over a period of 6 months after the cessation clause has been invoked.
10. PRRO 200061, which started on 01 January 2010 and targeted 6,500 beneficiaries, is scheduled to end on 31 December 2011. This budget revision is proposed to extend the duration of the project by 12 months with additional commodities to allow for continued food assistance to the refugees and asylum seekers until such a time when their number falls below 5,000 due to either voluntary repatriation or local integration, so that the residual caseload can be handed over to UNHCR as per inter-agency agreement. It is foreseen that this threshold will be reached no later than six months after the cessation clause is invoked.
11. This Budget Revision will also allow the absorption of a new contribution of US\$ 42,276 from OFDA and enable WFP Namibia country office to provide technical support to partners and counterparts in logistics supply chain management. These capacity building activities will be completed by December 2011.
12. The extension in time with added commodities is strongly recommended to allow WFP to meet part of the most pressing humanitarian needs in Osire Settlement, the provision of food assistance to 6,000 refugees and asylum seekers up to 31 December 2012. The total cost, for which approval is this current budget revision is recommended, amounts to US\$ 1,352,662.

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<sup>7</sup> 230 children were eligible for measuring GAM, 234 children for underweight and 232 children for stunting.

<sup>8</sup> Osire Nutrition Survey Findings, November 2010.

<sup>9</sup> Joint Verification and Profiling Exercise 2011, Refugee Administration and UNHCR

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE			
	Beneficiaries		
Activity	Present	Decrease	Revised
PRRO 200061	6 500	500	6 000
<b>Total</b>	<b>6 500</b>	<b>500</b>	<b>6 000</b>

## FOOD REQUIREMENTS

13. A total of 1,445 mt of food commodities (1,026 mt of fortified maize meal, 155 mt of pulses, 64 mt of vegetable oil, 131 mt of CSB+ and 69 mt of sugar and salt) will be required to cover the beneficiaries needs over a period of 12 months.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE			
	Food requirements (mt)		
Activity	Present	Increase	Revised
PRRO 200061	2 560	1 445	4 005
<b>Total</b>	<b>2 560</b>	<b>1 445</b>	<b>4 005</b>

14. There will be no change in the distribution modalities as described in the project document.

### DISTRIBUTION:

DED, OD  
Deputy COO & Director, ODE  
Chief, ODLT  
Country Director  
OD Registry  
Director, ERD and COO

Director, ODX  
Chief, RMBP  
Chief, ODXR  
Programme Officer, RMBP  
Programming Assistant, RMBP  
Liaison Officer, ODJoburg

Chief, ODXP  
Regional Director  
RB Programme Advisor  
RB Programme Assistant  
RB Chrono