

**Iraq Special Operation 200117:  
Provision of Humanitarian Air Services in Iraq**

**B/R No.: 01**

<b>BUDGET REVISION FOR SOs FOR THE APPROVAL OF THE DED</b>
--

<u><b>ORIGINATOR</b></u>	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
Country Office or Regional Bureau on behalf of Country Office	.....	.....	.....	.....
 <u><b>CLEARANCE</b></u>				
Regional Director	.....	.....	.....	.....
Project Budget & Programming Officer, RMBP	.....	.....	.....	.....
Chief, RMBP	.....	.....	.....	.....
Chief, ODLT	.....	.....	.....	.....
Director, ODL	.....	.....	.....	.....
Director and Deputy CFO, RMB	.....	.....	.....	.....
 <u><b>APPROVAL</b></u>				
<input checked="" type="checkbox"/> Deputy Executive Director, OD	.....	.....	.....	.....

<b>PROJECT</b>	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
<b>ODOC (US\$)</b>	7,455,980	4,001,304	11,457,284
<b>DSC (US\$)</b>	3,314,929	1,182,884	4,497,813
<b>ISC (US\$)</b>	753,963	362,893	1,116,857
<b>Total WFP Cost (US\$)</b>	<b>11,524,872</b>	<b>5,547,082</b>	<b>17,071,954</b>

<u><b>TYPE OF REVISION</b></u>
<input checked="" type="checkbox"/> Additional DSC <input checked="" type="checkbox"/> Additional ODOC <input checked="" type="checkbox"/> Extension in time <input type="checkbox"/> Change in project orientation <input type="checkbox"/> Other

## **NATURE OF REVISION:**

This budget revision seeks to extend the project in time for five and a half months, from 15 December 2011 to 31 May 2012, with a consequent budget increase to ensure the continued provision of air transport services for the humanitarian, development and donor community in Iraq.

## **BACKGROUND:**

1. During 2011, the situation in Iraq has been in a transition from crisis to recovery. Decreasing levels of violence, improved government capacity and lack of new displacement have contributed to a gradual stabilization of the humanitarian situation. However, these improvements may unravel should the security or political situation in the country deteriorate, or in the event of a disease outbreak or a natural disaster. Therefore, the United Nations and the Non-Governmental Organizations (NGOs) agencies need to sustain their response capacity to both man-made and natural disasters.
2. The humanitarian priorities for 2011-2012 include the protection of internally displaced persons (IDPs), refugees and returnees, supporting critical social safety nets and addressing the impact of drought and mine action. The protection of civilians, particularly women, children and minority groups, remains a serious concern, as do the ongoing constraints in regard to lack of access and security that continue to hinder the ability of humanitarian organizations to effectively assess and respond to unmet needs.
3. Following the bombing of the former United Nations Headquarters at the Canal Hotel in Baghdad on 19 August 2003, the United Nations was forced to reassess its staff security policy and reduce its physical presence in Iraq. However, the United Nations continued providing assistance and support to the Iraqi people, mainly through its Iraqi staff. Since 2007, the United Nations has progressively increased its presence in Iraq and plans to continue expanding operations throughout the country. Despite the continuing volatile security situation, even with the decreasing number of security incidents, the United Nations agencies and NGOs can now assess humanitarian needs in all districts in Iraq, although many can only be reached by missions led by Iraqi national staff. Despite these visible improvements, Iraq is still a country affected by significant levels of violence, with a considerable impact on civilian lives, governance, economy and humanitarian operations.
4. The current air service providers for international and domestic flights, cleared for use by United Nations staff and selected other members of the international community are: US Forces in Iraq (USF-I), the United Nations Assistance Mission to Iraq (UNAMI) and the United Nations Humanitarian Air Service (UNHAS). The main limitation for the use of cleared commercial airlines is their use of the commercial terminals as these are – with the exception of Erbil – not authorized for United Nations staff due to security concerns and internal United Nations security limitations.
5. The original budget of US\$11,524,872 was approved on 10 December 2010 and this is the project's first revision. This revision and extension bring the total project budget to US\$17,071,954.

## **JUSTIFICATION FOR THE REVISION:**

6. This budget revision is necessary to continue with the provision of air services in Iraq in order to facilitate the movement of United Nations and NGO staff to various locations, in view of the continuing need for humanitarian and development assistance in Iraq and the current lack of alternative air travel arrangements. This has been recognized by the Resident Representative of Iraq, who voiced her concern on the UNHAS Iraq funding situation and supported efforts to secure the funding support required for UNHAS operations to at least 31 May 2012.

7. As of 1 January 2012 there will be only two air services – UNAMI and UNHAS Iraq – available in Iraq to transport United Nations staff as, with the drawdown of US troops, the USF-I will be completely withdrawn from Iraq by latest 31 December 2011.
8. To meet the travel requirements of the humanitarian community, two aircraft are required. The United Nations Department of Field Support (UNDFS) chartered for UNAMI one fixed-wing aircraft, an Embraer 120. UNHAS is already operating in Iraq with one aircraft, a Dornier 328 Jet, and its impact in improving United Nations operations has been dramatic. Its removal from service would immediately leave a significant gap in the operational capabilities of both UNAMI and the United Nations Country Team (UNCT) as well as the wider humanitarian and development community in a country where the use of commercial airports is still not allowed for security and logistical reasons.
9. The UNHAS Iraq chartered aircraft is frequently called upon to cover for UNAMI's chartered aircraft when their fixed-wing aircraft is grounded for technical reasons. Most importantly, in the event the UNHAS service terminates on 14 December 2011, the UN in Iraq would be left with no reserve aircraft capacity. In this case, should the UNAMI aircraft be grounded or undergoing routine maintenance, UNAMI and UNCT will be left with no casualty or medical evacuation capacity, nor flight capacity for daily movements.
10. The staffing structure caters for the complexity of the operation as there are multiple aircraft bases and many flight destinations. One international staff – an Air Transport Officer – based in Amman is responsible for the Amman Field station and the financial follow-up on ticket sale invoicing. Additionally, the Amman station supports the CO in all financial and administration issues related to UNHAS Iraq. One international staff – an Air Transport Officer – based in Erbil, is responsible for the Erbil hub. Three international staff – two Air Transport Officers and one Logistics Officer (Air Operations) – are dealing with the Baghdad airport planning, movements and daily execution as well as all Aviation Safety and Quality Assurance elements. Additionally, the Baghdad Hub is responsible for all destinations having no permanent WFP/UNHAS staff. Three international staff – one Chief Air Transport Officer, one Air Movement Officer and one Customer Service Officer – are based inside Baghdad International Zone (IZ). The Air Movement Officer and Customer Service Officer are in charge of all booking unit actions and reports while the Chief Air Transport Officer is overall in charge of the UNHAS Iraq operation. Additionally, UNHAS Iraq is funding one third of the honorarium of the following CO staff: security officer, finance officer and human resource officer. Seven national staff are occupying various operational and support positions based in Amman and Erbil. A relatively high number of international staff is required as Iraq national staff do not have the required clearances to operate from Baghdad military airport where UNHAS operates from, co-located with UNAMI. Sufficient staff are needed to ensure a continued capacity given the Baghdad 4 weeks R&R cycle which results in staff being frequently away from the office. The budget also covers the salary of one support staff in HQ Rome, who will provide operational support in air contracts to the operation.
11. The objectives of the project will remain, as outlined in the initial project document:
  - a. To provide a safe, efficient and effective air transport service for all United Nations Agencies, NGOs, UNAMI, diplomatic missions and other humanitarian and development actors, contributing to development and reconstruction activities in Iraq;
  - b. To carry out medical and security evacuations;
  - c. To respond in a fast, efficient and flexible manner to other upcoming needs of the humanitarian community.
12. The funding for this Special Operation will be provided through donor contributions supplemented by a system of partial cost recovery. UNAMI guaranteed to fund 50 percent of the required funding for this extension and additional donors are also considering supporting the SO extension funding requirements. A one-way ticket cost is aligned to the cost charged by UNAMI at US\$ 250 for international flights and US\$ 100 for internal Iraq flights. Flight costing will be reviewed on a

regular basis in coordination with UNAMI and the UNHAS Board of Directors. It is estimated that during this proposed extension the cost recovery will generate US\$ 500,000.

13. Should the Iraq security situation improve rather than deteriorate, conditions might be in place to allow United Nations staff to use the main international commercial airport terminals which in turn will greatly reduce the requirement for UN-chartered aircraft for staff to travel to/from and within Iraq. The security situation in Iraq will be continuously monitored and evaluated together with WFP Security, UNDSS and UNAMI to assess such possibilities. Taking the above into account, it is still too early to evaluate likely additional air travel requirements after May 2012 which is why this request for an extension in time goes until 31 May 2012.

14. The operation will continue to be monitored in line with the following key performance indicators:

- o Average number of hours flown per month (target: full utilization of contracted hours);
- o Average number of passengers transported per month (target: 600 passengers);
- o Number of agencies and organizations using the air service (target: 30 different agencies);
- o Percentage of requests for evacuations (medical and security) fulfilled (target: 100 percent);
- o Aircraft occupancy rate (target: 60% on average);
- o Frequency of UNHAS Board of Directors meetings (target: at least one per trimester);
- o Number of locations served (target: perform flights to all by security – SSI – cleared destinations in Iraq);
- o Number of days the aircraft is unserviceable (target: not to exceed 5 per month)

The specifics of the implementation of this project will be reviewed and tailored to changing realities on the ground and according to the needs of the humanitarian community.

In light of the above, it is recommended that the Deputy Executive Director approves this budget revision and extension in time for five months and a half, from 15 December 2011 to 31 May 2012, with a consequent budget increase of US\$5,547,082, as detailed in the attached budget.

DISTRIBUTION:

DED OD  
Chief, ODLT  
Chief, RMBP, ODXR, ODXP  
Country Director, Iraq  
OD Registry  
ODC Cairo

Director, ODL  
Director, ODX  
Regional Director  
Programme Officer, RMBP  
Programming Assistant, RMBP  
Chief, ODLA

ALITE  
Chief, RMBB  
Director, ERD  
RB Programme Advisor  
RB Programme Assistant