

Senegal Protracted Relief and Recovery Operation 200138
B/R No4

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, OSLT (change in LTSH and/or External Transport)
<u>APPROVAL</u>				
<input type="checkbox"/> Regional Director

PROJECT

Start date: 01/06/2012 **End date:** 30/06/2014 **Extension/Reduction period:** N/A **New end date:** N/A

Cost (United States dollars)

	Current Budget	Increase (Decrease)	Revised Budget
Food and Related Costs	61,517,187 US\$	50,767 US\$	61,567,954 US\$
Cash and Vouchers and Related Costs	15,520,983 US\$	0 US\$	15,520,983 US\$
Capacity Development & Augmentation	568,693 US\$	0 US\$	568,693 US\$
DSC	11,499,507 US\$	0 US\$	11,499,507 US\$
ISC	6,237,446 US\$	3,554 US\$	6,241,000 US\$
Total cost to WFP	95,343,816 US\$	54,321 US\$	95,398,137 US\$

CHANGES TO:

Food Tool

- ☐ MT
☐ Commodity Value
☐ External Transport
☐ LTSH
☐ ODOC

C&V Tool

- ☐ C&V Transfers
☐ C&V Related Costs

- ☐ CD&A
☐ DSC
☐ Project duration
☐ Other

Project Rates

- ☒ LTSH (\$/MT)
☐ ODOC (\$/MT)
☐ C&V Related (%)
☐ DSC (%)

NATURE OF THE REVISION

1. This budget revision proposes a technical adjustment of the landside transport, storage and handing (LTSH) component of Senegal Protracted relief and Recovery Operation PRRO-200138 to reflect a rate increase from USD 106.91 per mt to USD 112.08 per MT. This rate is to be used for new contributions. The LTSH component was affected by this rate change, increasing the budget by USD 50,767.

JUSTIFICATION FOR THE REVISION

Summary of existing project activities

2. Under the PRRO 200138, which is aligned with Strategic Objectives 1, 2, 3 and 5, WFP aims to assist conflict affected populations in Casamance and mitigate food insecurity and malnutrition in communities affected by localized agricultural production deficits throughout the country.
3. Its relief component consists of: targeted food and cash voucher distributions; targeted supplementary feeding for the treatment of moderate acute malnutrition (MAM) for children aged 6-59 months and pregnant and lactating women; blanket supplementary feeding for the prevention of acute malnutrition for children aged 6-23 months and pregnant and lactating women; and a resettlement package for returnees displaced by the Casamance conflict.
4. Its recovery component includes: school feeding, complementary feeding for the prevention of stunting in children aged 6-23 months, Food for Nutrition Awareness; Food for Recovery (Food for Assets and Food for Training); village cereal banks; and capacity development to promote longer-term resilience and livelihood creation.
5. A successor PRRO will be submitted for approval to the EB in November 2014. The project will follow a twin-track approach to addressing acute food and nutrition needs through safety nets support, while building resilience to climatic shocks of the most vulnerable rural communities through livelihood strengthening and creation of sustainable assets.

Purpose of the budget increase/ decrease

1. Following a routine review of LTSH costs, the LTSH rate was reviewed in February 2014. The rate was increased from USD 106.91 to USD 135.49 per MT. The LTSH budget surplus of 200,000 USD was factored in the LTSH revision thus impacting on the operational rate which was lowered by 23.49 USD/MT. The new rate is, therefore, of USD 112.08.
2. Main causes for the increase in overall LTSH rate include: a). an increase in transport costs due to changes in tonnage allocation/needs per EDP; b.) changes in some secondary transport rates; c.) changes in exchange rate and d) an inclusion of all Field Level Agreement (FLA) distribution costs, including the last transportation leg from FDPs to beneficiaries, which was not included in the previous matrix.