

## BUDGET REVISION NUMBER 2 TO SUDAN EMERGENCY OPERATION

### Sudan 200151 - Food Assistance to Vulnerable Populations Affected by Conflict and Natural Disasters

	Cost (United States dollars)		
	Present budget	Change	Revised budget
Food cost	172,276,379	19,309,344	191,585,723
Voucher Costs	24,203,010	(4,992,559)	19,210,451
External transport	45,039,462	(2,282,38)	47,321,844
Landside Transport Storage and Handling	137,755,338	21,578,848	159,334,186
Other Direct Operational Costs	22,932,965	1,876,375	24,809,340
Direct Support Costs	84,405,534	7,852,492	92,258,026
Indirect Support Costs (7 percent)	34,062,889	3,353,482	37,416,371
<b>Total cost to WFP</b>	<b>520,675,577</b>	<b>51,260,364</b>	<b>571,935,941</b>

#### NATURE OF THE INCREASE

1. The emergency operation Sudan (EMOP) 200151 “Food assistance to vulnerable populations affected by conflict and natural disasters” was prepared in mid-2010 for the period January to December 2011. A first budget revision was approved in June 2011 to reduce the overall food requirements following assessments that indicated a better-than-expected harvest and an overall improvement of food security in the region.<sup>1</sup> The budget revision also expanded the voucher pilot activity. This second budget revision reflects a number of programmatic adjustments resulting from evolving needs in the Republic of the Sudan and the Republic of South Sudan.
2. The three main reasons for this budget revision include:
  - The separation of Sudan on 9 July 2011, which led to population movements between the north and south.
  - Conflicts in Abyei, South Kordofan and Blue Nile states, causing population displacements in both the Sudan and South Sudan.
  - Changes to voucher programming in (i) Darfur, where sensitization and negotiations took longer than expected; and (ii) in CETA (Central and East and the ‘Three Areas’ - Abyei, South Kordofan and the Blue Nile), where implementation was affected by conflict leading to increased requirements).
3. Specific changes proposed under this budget revision are:
  - Increasing food requirements by 42,475 mt, valued at US\$19.3 million.
  - Reducing voucher transfers requirements by US\$5 million.
  - Increasing associated costs by US\$33.6 million, consisting of external transport, landside transport, storage and handling, other direct operational costs and direct support costs; and
  - Increasing indirect support costs by US\$3.4 million.
4. This revision will increase the overall budget by US\$51 million, from US\$521 million to US\$572 million.

<sup>1</sup> The original approved budget of EMOP 200151 was US\$628 million and was decreased by US\$107 million by the first budget revision to US\$521 million.

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## JUSTIFICATION FOR BUDGET INCREASE

### Summary of Existing Project Activities

5. The combination of conflict, large-scale population displacement and poverty has made Sudan one of the most complex environments in which WFP operates. While some progress has been made in the overall security and stability over recent years, the impact of protracted conflict and subsequent population displacement, further exacerbated by recent poor harvests and the current global economic crisis, leaves much of Sudan and South Sudan in a humanitarian crisis.
6. The main goal of EMOP 200151 is to save lives, reduce food insecurity and protect the livelihoods of conflict-affected and vulnerable populations in emergencies, in line with WFP's Strategic Objective 1 "Save lives and protect livelihoods in emergencies". The EMOP originally targeted 6.7 million beneficiaries with 596,400 mt of food assistance. This included internally displaced persons (IDPs) and vulnerable resident communities in Darfur, returning displaced persons and drought-affected communities in CETA, as well as returnees and conflict-affected groups in southern Sudan. The first budget revision reduced the total food requirement to 462,800 mt.
7. Most of WFP's assistance in the Sudan and South Sudan is provided through general food distributions (GFD) to highly vulnerable populations, including displaced persons, returnees and refugees. Food-for-assets (FFA) activities support the development of community infrastructure and address food security at household level. Targeted supplementary feeding, and blanket supplementary feeding address the nutritional requirements of undernourished children. School feeding targets rural, food-insecure or conflict-affected areas where access to food impairs the ability of children to attend school.

### *The Republic of the Sudan*

8. The first budget revision to this EMOP expanded food vouchers to support up to 730,000 beneficiaries. Between March and July 2011, WFP assisted close to 250,000 beneficiaries with food vouchers under GFD and FFA activities. An internal evaluation of the voucher pilot activities indicated that vouchers would be a more cost-effective method of delivering food assistance, and beneficiaries were presented with a wider choice of food items, allowing them to diversify their diets. WFP planned to expand the food vouchers programme in Darfur and CETA from August. However, due to unforeseen challenges, including a need for improved sensitisation of local communities and leaders on vouchers, and delays reaching agreement with participating traders, general food rations and food-based nutrition interventions continues to be the bulk of food assistance in Darfur.
9. *Three Areas:* As Sudan approached 9 July 2011 - the date of the formal separation of South Sudan - military clashes erupted in the volatile Three Areas that border the two countries, displacing hundreds of thousands of people at a time when communities normally plant and prepare for the harvest.
  - In May 2011, clashes between rival forces just north of the town of Abyei resulted in over 125,000 people fleeing the Abyei area (WFP's office and a vehicle were damaged and the warehouse in Abyei was looted and destroyed). A comprehensive emergency response was launched, covering 33 villages in four states and prioritising the distribution of food rations, non-food items and emergency shelter. Humanitarian actors were able to respond efficiently due to planning and pre-positioning of supplies.

- In June 2011, tension spread to the South Kordofan state where heavy fighting broke out in Kadugli, the state capital, following disputed state elections. Tens of thousands of people were displaced from their homes and operational agencies, including WFP, were forced to relocate all of their staff. WFP has assisted around 135,000 people in South Kordofan since fighting broke out, including those who were displaced from their homes.
- In September 2011, the latest conflict started in Blue Nile state, where approximately 800,000 people reside. Some 110,000 people live in south Blue Nile (Kurmuk), where a recent conflict has displaced some of the poorest and most food-insecure households in the state (between 40-50 percent of the population).

10. *Darfur*: The prevalence of acute malnutrition tends to fluctuate seasonally, ranging from 17-35 percent in the peak of the lean season (May to September).<sup>2</sup> In particular, younger children (under 2) are more likely to be malnourished than older children. In order to prevent excessive acute malnutrition, WFP initiated lean season blanket supplementary feeding (BSF) in 2009, reaching 415,000 children by 2010 and continuing the activity in 2011. Assessments of its effectiveness have shown promising results, with surveys indicating that the nutritional status of children receiving BSF did not deteriorate during the lean season.<sup>3</sup> In line with global WFP nutrition priorities focusing on addressing the long-term effects of malnutrition in the first 1,000 days of a child's development,<sup>4</sup> WFP has been piloting enhanced BSF in Kassala that will be expanded to other locations in Darfur. Operational guidance is being developed to assist in the implementation of BSF.

### ***Republic of South Sudan***

11. The referendum period passed relatively peacefully in January 2011, but violence increased sharply over subsequent weeks and months, leading to a significant increase in population displacement and jeopardizing hopes for progress, including for food security. The South Sudanese started returning from the Sudan in large numbers in late-2010, increasing the burden on already fragile communities and overstretched local resources. Humanitarian emergency assistance was scaled up in response, and contingency planning and preparedness measures are being consolidated during this early phase of independence.
12. Between end-May and end-July 2011, WFP assisted nearly 125,000 IDPs from Abyei in Warrab, West Bahr el Ghazal, North Bahr el Ghazal and Unity state using available food stocks. As displaced families started to arrive in South Sudan, WFP and partners began to assist with emergency rations. Up to 10,000 refugees were displaced further into Unity state following fighting in a disputed area on the South Kordofan border. Most displaced people arrived in the already fragile border regions, to communities with limited access to basic services.

## **Conclusion and Recommendations of Re-Assessments**

### ***The Republic of the Sudan***

13. *Abyei*: The United Nations Interim Security Force for Abyei (UNISFA) peacekeeping mission has arrived in the Sudan and is expected to stabilise the area. This may lead to half of the population of 125,000 IDPs currently displaced from Abyei to return from South Sudan. While further assessments will be required to establish longer-term needs, around 2,000 mt of food will be required for 65,000 returnees.

<sup>2</sup> Localized surveys 2010-2011, Ministry of Health/United Nations Children's Fund and non-governmental organizations.

<sup>3</sup> WFP, 2011, *BSF Baseline Survey*.

<sup>4</sup> The target group is expanded to include children aged 24-36 months to address higher acute malnutrition in this age range.

14. *South Kordofan*: Fighting continues, with response efforts being undermined by lack of access, on-going violence and insufficient resources. The affected population struggles to meet basic and immediate needs during the peak of the rainy season. As a result, affected populations have not been engaging in agricultural and livelihood activities, and their food stocks and other assets have been lost. Approximately 150,000 displaced people are expected to require around 8,000 mt of food assistance.
15. *Blue Nile*: Tensions are still high with occasional fighting. There are no official records of the number of people displaced, but it is estimated that some 100,000 IDPs will require around 6,500 mt of food assistance.
16. *Kassala*: While a number of refugees in this area have been receiving food assistance for many years, recent assessments have recommended a review of the targeting criteria for selection of beneficiaries for GFD. Based on criteria agreed between WFP and the Office of the United Nations High Commissioner for Refugees (UNHCR),<sup>5</sup> the number of refugees targeted for support in this state will decrease from 56,500 to 30,000. Food requirements will be reduced by 500 mt.
17. *Darfur*: Localized nutrition surveys in Darfur indicate that the prevalence of global acute malnutrition remains above the emergency threshold of 15 percent, ranging from 16-30 percent. Through this budget revision, WFP will expand the enhanced BSF pilot to approximately 200,000 children under 3 in selected conflict-affected communities in Darfur. These children have been receiving BSF and will be supported with additional rations of Supercereal,<sup>6</sup> oil and sugar (around 4,000 mt of food). The enhanced BSF will integrate nutrition interventions and will address underlying causes of malnutrition, including poor feeding practices, food hygiene and food safety.
18. Mothers of children in the enhanced BSF will receive training on feeding practices, food hygiene and sanitation. Pregnant and lactating women will also receive Supercereal, oil and sugar, providing 500 additional kilocalories and other essential nutrients. Additionally, 25-30 community health workers will participate in food-for-training activities that focus on programme implementation, growth monitoring of beneficiary children, and follow-up visits with mothers to reinforce the good care practices.
19. *Vouchers*: In Darfur, the initial plan was to reach almost 530,000 beneficiaries with vouchers, but due to operational constraints, as well as price increases of basic commodities, approximately 355,000 beneficiaries in Darfur for part of the operation will receive food commodities instead of vouchers (requiring approximately 5,500 mt of food). Similarly, in the Three Areas 100,000 beneficiaries initially intended for voucher transfers will require around 3,500 mt of food.

### ***Republic of South Sudan***

20. The southern Sudanese started returning from the Sudan in large numbers in late 2010, following the start of the Government of Southern Sudan's accelerated repatriation drive. The rates of return are being influenced by the uncertain citizenship rights of South Sudanese in the Sudan, and by the assisted returns sponsored by the Sudan Ministry of Humanitarian Affairs.

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<sup>5</sup> New indicators include households with: (i) no adult male earner; (ii) a female head; (iii) hosting a disabled member.

<sup>6</sup> "Supercereal" is fortified blended food (sometimes known as "corn-soya blend plus"). "Supercereal plus" is also a fortified blended food but with the addition of dried skim milk and soya bean oil. Due to the shorter shelf life of Supercereal plus, to date it has not been possible to use this product in Sudan.

21. By mid-year 2011, over 300,000 southerners had returned to South Sudan and more were expected. The majority of returnees have concentrated in the border states of Unity, North Bahr el Ghazal, Upper Nile and Warrab. Increased insecurity in many areas of high return – including Mayom County in Unity state – has contributed to secondary displacement and disrupted reintegration.
22. In response to the influx of returnees, WFP has provided short-term emergency assistance to returnees in transit and reinsertion packages at final destinations, in line with principles outlined in the Government’s procedures on return and reintegration issued in December 2010. This budget revision will secure an additional 2,500 mt of food to support 100,000 returnees.
23. Due to the conflicts in Abyei and South Kordofan, anticipated additional requirements under this budget revision include 7,000 mt of food for 60,000 displaced persons from Abyei, 3,000 mt for returnees to the Sudan, and 1,000 mt of food for 10,000 refugees from South Kordofan in Unity state.

### Purpose of Budget Increase

24. The following major changes are included in this budget revision:
- Increased beneficiaries due to additional population displacements (Tables 1 and 2).
  - Vouchers reduced to US\$20 million given unforeseen implementation challenges (Tables 2 and 3).
  - Increased food commodity requirements, due to additional beneficiaries, expanded BSF for children under 3, and reduced use of vouchers (Table 3).

The food requirements increase by 42,475 mt, for a revised total of 505,280 mt.

25. External transport and land transport, storage and handling costs have increased substantially, reflecting both the additional food requirements and higher transport costs per ton. Rates for overland and inland costs have increased by 64 percent due to the significant increase of fuel prices in South Sudan, increased escort costs, and additional significant internal repositioning of food commodities to address the border crisis. Other direct operational costs have increased, due to higher field-level costs incurred by cooperating partners.
26. The budget revision also includes a proposed increase in the direct support costs budget. While the focus on cost containment will continue, the insecurity and new conflicts particularly in the Three Areas result in increased costs, including for temporary duty expenses, staff travel and relocation, office reconstruction, and replenishment of information and communication technology equipment.

**TABLE 1. BENEFICIARY NUMBERS BY ACTIVITY AND AREA**

Activity		In-kind food				Vouchers	TOTAL
		South Sudan	CETA	Darfur	TOTAL		
G F D	IDPs	447 000	300 000	1 425 422	1 817 422	529 578 (Darfur)	2 347 000
	Residents	634 208	234 830	2 134 683	3 003 721		3 003 721
	Refugees	36 283	30 000	10 000	76 283		76 283

	Returnees	124 000	75 300	25 000	<b>224 300</b>		<b>224 300</b>
Food for assets		67 500	130 652	654,194	<b>852 346</b>	100 000 (CETA)	<b>952 346</b>
School meals		430 000	545 104	735 883	<b>1 710 987</b>		<b>1 710 987</b>
Blanket supplementary feeding		21 000		549 799	<b>759 799</b>		<b>759 799</b>
Targeted supplementary feeding		22 500	17 825	57,145	<b>97 470</b>		<b>97 470</b>
<b>Total</b>		<b>1 971 491</b>	<b>1 333 711</b>	<b>5 592 126</b>	<b>8 542 328</b>	<b>629 578</b>	<b>9 171 906</b>
<b>Adjusted Total*</b>		<b>1 777 166</b>	<b>1 322 950</b>	<b>4 196 493</b>	<b>7 296 609</b>	-	<b>7 296 609</b>

*\*The total has been adjusted to avoid double-counting of beneficiaries assisted through more than one activity.*

**TABLE 2. TOTAL BENEFICIARIES BY ACTIVITY AND TRANSFER MODALITY**

Activity		ORIGINAL	RESTATED, AFTER BUDGET REVISION 1			RESTATED, AFTER BUDGET REVISION 2		
		Total	In-Kind	Vouchers	Total	In-Kind	Vouchers	Total
G F D	IDPs	<b>1 972 000</b>	1 422 422	529 578	<b>1 972 000</b>	1 817 422	579 578	<b>2 347 000</b>
	Residents	<b>3 003 721</b>	3 003 721		<b>3 003 721</b>	3 003 721		<b>3 003 721</b>
	Refugees	<b>92 783</b>	92 783		<b>92 783</b>	76 283		<b>76 283</b>
	Returnees	<b>59 300</b>	59 300		<b>59 300</b>	224 300		<b>224 300</b>
Food-for-assets		<b>952 346</b>	752 346	200,000	<b>952 346</b>	852 346	100 000	<b>952 346</b>
School meals		<b>1 710 987</b>	1 710 987		<b>1 710 987</b>	1 710 987		<b>1 710 987</b>
Blanket supp. feeding		<b>709 799</b>	759 799		<b>759 799</b>	759 799		<b>759 799</b>
Targeted sup. feeding		<b>97 470</b>	97 470		<b>97 470</b>	97 470		<b>97 470</b>
<b>Total</b>		<b>8 598 406</b>	<b>7 918 828</b>	<b>729 578</b>	<b>8 648 406</b>	<b>8 542 328</b>	<b>629 578</b>	<b>9 171 906</b>
<b>Adjusted Total</b>		<b>6 751 609</b>	<b>6 022 031</b>	<b>729 578</b>	<b>6 751 609</b>	7 296 609		<b>7 296 609</b>

**FOOD REQUIREMENTS**

**TABLE 3. FOOD AND VOUCHER REQUIREMENTS BY ACTIVITY (mt/US\$)**

Activity	Current	Increase	Revised
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General food distribution	IDPs	98 292	30 195	128 487
	Residents	196 452	0	196 452
	Refugees	20 118	496	20 614
	Returnees	4 512	4 312	8 824
Food for assets	67 613	3 332	70 945	
School meals	52 892	0	52 892	
Blanket supplementary feeding	14 868	4 140	19 008	
Targeted supplementary feeding	8 057	0	8 057	
<b>Total food requirements (mt)</b>	<b>462 805</b>	<b>42 475*</b>	<b>505 280</b>	
<b>Total voucher requirements (US\$)</b>	<b>24 203 010</b>	<b>(4 992 559)</b>	<b>19 210 451</b>	
<i>* Of the increase of 42,475 mt, 45% is for CETA, 32% is for South Sudan, and 23% is for Darfur.</i>				

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**RECOMMENDATION**

27. The proposed budget revision with additional commitment of food, resulting in the revised budget for Sudan EMOP 2000151 “Food assistance to vulnerable populations affected by conflict and natural disasters” is recommended for approval by the Executive Director and the Director-General of FAO.

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**APPROVAL**

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Josette Sheeran  
Executive Director  
United Nations World Food Programme

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Jacques Diouf  
Director-General  
Food and Agriculture Organization of  
the United Nations

Date: .....

Date: .....



<b>BUDGET CHANGE COST BREAKDOWN</b>		
	<b>Quantity (mt)</b>	<b>Value (US\$ dollars)</b>
<b>WFP COSTS</b>		
<b>Food<sup>7</sup></b>		
Cereals	32,959	10,052,931
Pulses	4,292	3,777,141
Oil and Fats	2,273	3,659,040
Mixed and Blended Food	1,550	1,038,440
Other	1,401	781,791
<b>Total food</b>	<b>42,475</b>	<b>19,309,344</b>
Voucher transfers		<b>(4,992,559)</b>
<b><i>Subtotal food and transfers</i></b>		<b>14,316,785</b>
<b>External transport</b>		<b>2,282,382</b>
<b>Landside transport</b>		<b>21,578,848</b>
<b>Other direct operational costs</b>		<b>1,876,375</b>
<b>Direct support costs (see Annex I-B for details)</b>		<b>7,852,492</b>
<b>Total WFP direct costs</b>		<b>47,906,882</b>
<b>Indirect support costs (7 percent of total direct costs)</b>		<b>3,353,482</b>
<b>TOTAL WFP COSTS</b>		<b>51,260,364</b>

<sup>7</sup> This is a notional food basket used for budgeting and approval purposes. The precise mix and actual quantities of commodities to be supplied to the project, as in all WFP-assisted projects, may vary over time depending on the availability of commodities to WFP and domestically within the recipient country.

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>	
<b>Staff</b>	
International Professional Staff (P1 to D2)	
International GS Staff	
Local Staff - National Officer	118,808
Local Staff- General Service	279,415
Local Staff - Temporary Assist. (SSC, SSA, Other)	79,010
Local Staff - Overtime	58,305
Hazard Pay & Hardship Allowance	140,429
International Consultants Honoraria - Payroll	238,000
Local Consultants	
United Nations volunteers	
Commercial Consultancy Services	
Staff Duty Travel - actual costs	835,934
<b>Subtotal</b>	<b>1,749,901</b>
<b>Office expenses and other recurrent costs</b>	
Rental of facility	20,000
Utilities (general)	50,000
Office supplies	110,000
Communication and IT services	80,000
Equipment Repair and Maintenance	250,000
Vehicle Running Cost and Maintenance	1,992,078
Office Set-up and Repairs	2,811,773
United Nations Organizations Services	12,500
<b>Subtotal</b>	<b>5,326,351</b>
<b>Equipment and other fixed costs</b>	
Vehicle Leasing	17,000
Vehicle Acquisition Planning	
TC/IT Equipment,	313,902
Local Security Costs planning	<b>445,338</b>
<b>Subtotal</b>	<b>776,240</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>7,852,492</b>





Sudan & South Sudan



**Legend**

- Three Areas
- South Sudan
- North Sudan
- International Boundary

Data Sources:  
 Boundaries, Rivers, Road: SIM  
 WFP Offices: WFP Sudan  
 September 2011

Names and boundaries shown on this map do not imply endorsement or acceptance by United Nations World Food Programme

