

BUDGET REVISION 6 TO ZIMBABWE PROTRACTED RELIEF AND RECOVERY OPERATION 200162

Assistance for Food-Insecure Vulnerable Groups

Start date: 1 January 2011 End date: 30 April 2013

	Costs (United States dollars)		
	Current budget	Increase	Revised budget
Food cost	127 448 099	11 132 696	138 580 795
External transport	21 009 400	516 361	21 525 761
LTSH	59 049 994	5 337 443	64 387 437
ODOC	25 363 969		25 363 969
DSC	25 408 994		25 408 994
ISC (7 percent)	18 079 632	1 189 055	19 268 687
Total cost to WFP	276 360 088	18 175 555	294 535 643

NATURE OF THE INCREASE

1. This budget revision to Zimbabwe protracted relief and recovery operation (PRRO) 200162 “Assistance for Food-Insecure Vulnerable Groups” will enable WFP to meet the needs of an additional 500,000 food-insecure people identified by the Zimbabwe Vulnerability Assessment Committee (ZimVAC) assessment as in urgent need of food assistance due to drought conditions earlier in the year. This budget revision is only for the seasonal targeted assistance component.
2. Specific changes to the budget are:
 - an additional 25,650 mt of food commodities valued at US\$9.3 million;
 - additional US\$1.8 million in cash transfers;
 - additional US\$5.9 million in associated costs consisting of external transport and landside transport, storage and handling (LTSH); and
 - additional US\$1.2 million in indirect support costs (ISC).

JUSTIFICATION FOR BUDGET INCREASE

Summary of Existing Project Activities

3. The PRRO was launched in January 2011 for a period of two years. The previous budget revision extended the operation by four months from 31 December 2012 to 30 April 2013 in order to ensure a continuation of assistance to food-insecure households during the peak of the lean season.¹ The original objectives have remained essentially the same:
 - save lives and protect livelihoods in emergencies, and enhance self-reliance in vulnerable households in response to seasonal food shortages (Strategic Objective 1);²

¹ The lean season is typically from October through March, with the peak of the lean season from January through March.

² Strategic Objective 1: Save lives and protect livelihoods in emergencies.

- improve the well-being of anti-retroviral therapy (ART) and tuberculosis (TB) clients in order for them to achieve greater capacity for productive recovery (Strategic Objective 3);³
 - safeguard food access and consumption of highly vulnerable food-insecure households, and support the recovery of livelihoods and access to basic services (Strategic Objective 3); and
 - increase government and community capacities to manage and implement hunger reduction policies and approaches (Strategic Objective 5).⁴
4. The PRRO 200162 combines relief and early recovery elements and prioritizes food assistance through in-kind food as well as voucher and cash transfers. There are three main activities: i) seasonal targeted assistance; ii) health and nutrition; and iii) social safety nets.
5. *Seasonal Targeted Assistance*: This is the largest component, providing relief support to one million shock-affected, food-insecure people through a combination of food and cash transfers. During the lean season, WFP provides pulses and vegetable oil in-kind, and cash transfers to enable beneficiaries to purchase cereals within their own communities or from local markets in rural areas.⁵ An evaluation of a cash transfer pilot project started in 2009 indicated that cash transfers increased households' cereal consumption and encouraged farmer-to-farmer sales.⁶ Cash transfers improved market integration between deficit and surplus areas by injecting cash into the local economy and gave beneficiaries the flexibility to choose where and from whom to purchase. Food prices in areas targeted with cash transfers were lower than in areas where in-kind food was distributed.
6. *Health and Nutrition*: This component promotes universal access to care and treatment of diseases at clinics. Activities include home-based care and food assistance to malnourished ART and TB clients, with particular attention to mothers and children. WFP has provided assistance in the form of fortified food (Super Cereal) for nutrition rehabilitation.
7. *Social Safety Net*: This component provides support to highly vulnerable households that host malnourished ART or TB clients, in the most food-insecure areas of the country, including urban areas. Food and voucher transfers help ensure food security and nutrition rehabilitation of malnourished ART/TB clients at the household level. Beneficiaries receiving vouchers are entitled to receive a combination of in-kind food and vouchers. This dual approach offers beneficiaries the flexibility to purchase other food commodities of their own choice and helps stimulate local markets. In some urban areas, where the mobile phone network connectivity is good, WFP is using electronic vouchers.

Conclusion and Recommendations of the Re-Assessment

8. Food security in Zimbabwe has deteriorated in 2012. Late and erratic rainfall led to drought conditions earlier in the season, constrained access to inputs, and a reduction in area planted have all contributed to a reduction in the national cereal harvest, which is 33 percent lower than in 2011. The 2012 crop and livestock assessment in March 2012 indicated that maize production dropped from 1.45 million mt in 2011 to 0.97 million mt in 2012.⁷ Overall, cereal production dropped from 1.6 million mt in 2011 to 1.08 million mt in 2012, against a national cereal requirement of 2.1 million mt.

³ Strategic Objective 3: Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations.

⁴ Strategic Objective 5: Strengthen the capacities of countries to reduce hunger through hand-over strategies and local purchase.

⁵ Referred to as "Cash for cereal districts" (see map in Annex III).

⁶ Oxford Policy Management, evaluation of Zimbabwe's emergency cash transfer programme in 2011.

⁷ Ministry of Agriculture, Mechanization and Irrigation Development, Second Round Crop and Livestock Assessment, March 2012.

9. According to the 2012 Zimbabwe Vulnerability Assessment Committee (ZimVAC) rural livelihood assessment,⁸ the lean season has started much earlier, with people already facing hardship in September. The assessment estimates that nearly one in five rural people in Zimbabwe – 1,667,000 people – are likely to need emergency food assistance during the peak of the coming lean season between January - March 2013. This represents a 66 percent increase compared with the one million people assisted during the previous peak lean season. The ZimVAC recommends that food assistance programmes be expanded immediately.
10. Masvingo, Matabeleland North, Matabeleland South, and parts of Mashonaland, Midlands and Manicaland provinces were identified as the worst-affected areas by the ZimVAC. The districts projected to have the highest proportion of food-insecure households at the peak of the lean season include Gwanda (57 percent), Mangwe (53 percent), Kariba (49 percent), Zaka (39 percent), Chiredzi (36 percent) and Mount Darwin (36 percent).
11. Besides relief assistance to the most affected communities, the ZimVAC also recommended the following longer-term actions:
 - strengthen national preparedness and mitigation strategies for weather-related hazards;
 - include measures to increase and stabilize rural households' incomes in all policies and programmes where the central thrust is poverty alleviation;
 - address the draught power shortages in the rural community as part of a comprehensive strategy for improving crop production;
 - support livestock production with measures to improve access to grazing, as well as to ensure farmers receive viable prices for their livestock; and
 - ascertain the magnitude of the post-harvest losses on food crops in order to better inform measures for urgent attention.
12. WFP
 monitoring data as well as reports from the Food and Agriculture Organization of the United Nations (FAO), the Famine Early-Warning System Network (FEWS-NET), CARITAS and the Department of Agricultural, Technical and Extension Services (AGRITEX) also confirmed that food security has been deteriorating since mid-2012 and this trend is expected to continue until March 2013. As a result of reduced cereal production, many rural households have already exhausted their food stocks, particularly in the southern parts of the country. The low yields have significantly reduced employment opportunities, as farmers do not have spare grain to trade in exchange for casual labour.
13. The
 availability of livestock feed is also limited, further compromising the livelihood opportunities of rural households. There are recent distress sales of livestock at prices as low as US\$150 per animal (compared to a normal market price of US\$500). Unless food assistance is provided, the majority of vulnerable households will resort to negative coping mechanisms such as skipping meals or reducing the quality of dietary intake. This will result in a deterioration of the nutritional status in the most food-insecure areas in the southern part of the country. The nutrition cluster, of which WFP is an active participant, will implement a rapid nutritional assessment in two phases including: i) a baseline survey in October-November 2012; and ii) a reassessment survey in January 2013, the aim of which is to gather up-to-date information on the prevalence of acute malnutrition in high-risk areas.

⁸ Zimbabwe Vulnerability Assessment Committee, ZimVAC Rural Livelihoods Assessment, Harare, July 2012.

Purpose of Budget Increase

14. In view of the increased number of food-insecure people during the 2012/2013 lean season, this budget revision will scale up WFP support to transitory food-insecure rural populations located in the worst-affected areas through seasonal targeted assistance. Based on the ZimVAC assessment, and taking into account other on-going complementary interventions, WFP will assist an additional 500,000 food-insecure people through in-kind food transfers or a combination of food and cash transfers until March 2013. This budget revision will increase the planned beneficiaries for seasonal targeted assistance from 1 million to 1.5 million. The number of beneficiaries for the health and nutrition activities and the social safety nets will remain unchanged.
15. The remaining 167,000 food-insecure people are already assisted through other ongoing interventions implemented by the Government, United Nations agencies (including WFP) and non-governmental organizations (NGOs).⁹ The on-going WFP social safety net activity, targeting highly vulnerable food-insecure households hosting ART and TB clients is currently assisting 75,000 beneficiaries in 15 districts requiring seasonal targeted assistance. A national cash-transfer programme led by the Ministry of Labour and Social Services and supported by the United Nations Children's Fund (UNICEF) started in March 2012 and targets food-insecure, labour-constrained households; it is on-going in 10 districts of which seven are districts requiring seasonal targeted assistance, reaching 67,000 beneficiaries. Christian Care is receiving support from the Canadian Foodgrains Bank to assist 25,000 beneficiaries in one district (Matobo) in response to the ZimVac recommendations.
16. The selection of districts for seasonal targeted assistance is informed by the ZimVAC assessment.¹⁰ WFP will target 36 of the 60 districts in Masvingo, Matabeleland North, Matabeleland South and parts of Mashonaland, Midlands and Manicaland provinces. Beneficiary selection will be made through community-based targeting systems. Selection criteria include household crop production, ownership or custody of livestock, external support and remittances, and income-earning opportunities.
17. WFP seasonal targeted assistance will be provided through both in-kind and cash transfers, while vouchers will continue to be combined with food to support the social safety net. Based on experience, cash is effectively used by WFP and partners to meet household food needs during the lean season and is preferred over vouchers in support of seasonal targeted assistance as it gives beneficiaries flexibility to choose where and from whom to purchase. The choice of transfer modality for the seasonal targeted assistance will depend on the context and comparative advantages in meeting beneficiary needs and reaching objectives. Cash will complement in-kind food transfers where:
 - food is readily available on the market, particularly in the post-harvest season and when beneficiaries lack resources or assets;
 - cash transfers contribute to increased dietary diversity;
 - market-based approaches contribute towards stimulating markets and improving integration between surplus and deficit areas, as well as encouraging farmer-to-farmer sales;

⁹ ZimVAC, Rural Livelihoods Assessment, Harare, July 2012.

¹⁰ ZimVAC has carried out annual household surveys to assess the food security situation of rural households in Zimbabwe since 2002.

- cash transfers allow for a timely response, offsetting the lead time for regional procurement and transport; and
- cash transfers are in accordance with the national social transfer policy, which identifies cash as the preferred type of transfer and will contribute to harmonisation of interventions.

18. The 2010 government food deficit mitigation strategy discourages the implementation of asset-creation activities during the peak of the lean season, as rural households are engaged in domestic agricultural activities. Resilience-building efforts have focused on a range of asset protection and building measures meeting immediate food needs until November, including government pilots in two districts, WFP food-for-assets activities in 21 districts and Promoting Recovery in Zimbabwe¹¹ (PRIZE) in eight districts. These will facilitate the later start of the seasonal targeted assistance, closer to the peak of the lean season in December 2012.

TABLE 1: BENEFICIARIES BY ACTIVITY			
Activity	Current	Increase	Revised
Health and Nutrition			
Anti-retroviral treatment	20 500	0	20 500
Pre-anti-retroviral treatment	6 000	0	6 000
Tuberculosis treatment	3 000	0	3 000
Home-based care	2 500	0	2 500
Mother-and-child health and nutrition - mothers	8 000	0	8 000
Mother-and-child health and nutrition - children	10 000	0	10 000
Social Safety Net			
Highly vulnerable households - In-kind food	190 000	0	190 000
Highly vulnerable households - Vouchers	50,000	0	50 000
Internally displaced persons	25 000	0	25 000
Returnees	5 000	0	5 000
Seasonal Targeted Assistance			
Food transfers	900 000	350 000	1 250 000
Combined food and cash transfers	100 000	150 000	250 000
TOTAL	1 320 000	500 000	1 820 000

Monitoring and Evaluation

19. WFP will strengthen its monitoring and evaluation system through the use of personal digital assistants, and in-house training for staff on geographic information systems (GIS), data processing and analysis, and reporting.
20. Standard checklists, questionnaires, reporting forms and a shared database will be used for on-site monitoring. The community and household surveillance (CHS) survey in late-2012 will profile beneficiary and non-beneficiary populations, examine the nature of their vulnerability to food insecurity and poverty, and provide information on food consumption and coping strategies. It will help verify the effectiveness of targeting process by checking

¹¹ PRIZE is a consortium of three international non-governmental organizations (NGOs) from the United States that implements asset-creation activities for recovery.

if the most vulnerable households have received WFP food assistance in the four weeks prior to the survey.

Partnerships

21. WFP works with the Government, FAO, FEWS-NET and other stakeholders to conduct food security and livelihood assessments in the framework of the ZimVAC. The implementation of this PRRO is based on strong and well-established partnerships with international and national NGOs, such as Adventist Development and Relief Agency, Africare, CARE, Christian Care, GOAL, Organization of Rural Associations for Progress, Plan International, Save the Children, and United Methodist Committee on Relief, and World Vision International (see map in Annex III). WFP and the World Bank have partnered in aligning national priorities and interventions with the Productive Community Works Policy for building productive assets. FAO and WFP partner in the implementation of joint disaster-mitigation interventions, including promotion of conservation farming and management of post-harvest losses. WFP maintains operational co-ordination with PRIZE.
22. WFP, UNICEF and the Ministry of Labour and Social Services are collaborating to enhance the synergies between the national social cash transfer system and WFP interventions, including exploring opportunities to integrate beneficiary registers and harmonize the various cash transfer programmes.
23. WFP works in collaboration with the Ministry of Health and Child Welfare on food fortification and rehabilitation of malnourished people. WFP also supports to the ministry to build its logistics capacity and improve the supply chain, reporting systems and distribution of nutritional products.
24. At provincial level, WFP and partners engage with the local authorities through the Provincial Drought Relief Committee, while at the district level the District Drought Relief Committee is the main coordination forum.

REQUIREMENTS

25. The current and revised food and cash requirements by activity for the PRRO is shown in Table 2. The costs increase by US\$9.3 million for food transfers and US\$1.8 million for cash transfers.

TABLE 2: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY				
Activity	Transfer modality	Food requirements (mt) Cash/voucher (US\$)		
		Current	Increase	Revised
Health and Nutrition	Food	25 464	0	25 464
Social Safety Net	Food	87 294	0	87 294
	Cash	US\$11 050 000	0	US\$11 050 000
Seasonal Targeted Assistance	Food	148 631	25 650	174 281
	Cash	US\$14 540 000	US\$1 800 000	US\$16 340 000
TOTAL	Food	261 389	25 650	287 039
	Cash	US\$25 590 000	US\$1 800 000	US\$27 390 000

26. An additional US\$5.9 million in associated costs for external transport and LTSH will be required for the scale up of WFP assistance. There are no other direct operational costs nor direct support costs added by this budget revision. This budget revision increases the total budget by 7 percent. Details of increased costs are shown in Annex I.

Hazard/Risk Assessment and Preparedness Planning

27. Risks that should be considered in the timeframe of this PRRO include:

- *Contextual risks:* Zimbabwe is subject to floods that affect rural livelihoods and reduce resilience to shocks. Assessments of rural livelihoods will allow WFP to adapt its response strategy according to the needs of targeted populations.
- *Programmatic risks:* The potential capacity gaps in partners and within WFP itself will be closely monitored. WFP will draw on the United Nations Development Framework for expertise and resources in complementary capacity development. Rigorous selection of NGO partners will ensure access to the best available skills and capacities. Following a capacity gap analysis, the country office expects to enhance capacity in advocacy, nutrition, and monitoring and evaluation.
- *Institutional risks:* To ensure adherence to internal business processes, WFP will maintain rigorous controls in place, including segregation of duties, monitoring and evaluation of suppliers and contractors, and access control systems.

RECOMMENDATION

28. The proposed budget revision for an additional commitment of food, cash and associated costs, resulting in the revised budget for Zimbabwe PRRO 200162, is recommended for approval by the Executive Director.

APPROVAL

Ertharin Cousin
Executive Director
United Nations World Food Programme

Date

BUDGET INCREASE - COST BREAKDOWN			
Food ¹²	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	22 050	6 168 684	
Pulses	2 700	1 847 322	
Oil and fats	900	1 316 690	
Mixed and blended food			
Others			
Total food	25 650	9 332 696	
Cash transfers		1 800 000	
Voucher transfers		0	
Total food and cash transfers			11 132 696
External transport			516 361
Landside transport, storage and handling			5 337 443
Other direct operational costs			-
Direct support costs			-
Total WFP direct costs			16 986 500
Indirect support costs (7.0 percent) ¹³			1 189 055
TOTAL WFP COSTS			18 175 555

¹² This is a notional food basket for budgeting and approval. The contents may vary.

¹³ The ISC rate may be amended by the Board during the project.

ANNEX II – LOGICAL FRAMEWORK		
Results-Chain (Logic Model)	Performance Indicators	Assumptions
STRATEGIC OBJECTIVE 1: SAVE LIVES AND PROTECT LIVELIHOODS IN EMERGENCIES Goal: To protect and promote livelihoods and enhance self-reliance of targeted, vulnerable households in emergencies and early recovery		
Outcome 1 Improved food consumption over assistance period for target households	➤ Household food consumption score¹⁴ Target: Score exceeded 21 for 80% of target households Source: WFP Community and Household Surveillance	➤ Capable partners available for implementation ➤ Governmental and donor support forthcoming ➤ WFP food and cash pipeline remains strong
Output 1.1 Food and non-food items, cash and vouchers distributed in sufficient quantity and quality to target groups of women, men, girls and boys under secure conditions	➤ Number of women, men, girls and boys receiving food and non-food items, by category and as % of planned figures Target: 100% of planned beneficiaries receive WFP assistance Source: Counterparts' or partners' reports at the final distribution point (FDP) level¹⁵ ➤ Tonnage of food distributed, by type, as % of planned distribution Target: 100% of the food planned to be distributed is actually distributed Source: Counterparts 'or partners' reports at the FDP level ➤ Quantity of non-food items distributed, by type, as % of planned distribution Target: All non-food items have been distributed as per plan Source: Counterparts' or partners' reports at the FDP level	➤ Capable partners available for implementation ➤ Governmental and donor support forthcoming ➤ WFP food and cash pipeline remains strong ➤ Multiple currency policy remains in place

¹⁴ The household food consumption score measures the frequency with which different food groups are consumed by a household during the seven days before the survey. A Household Food Consumption Score of 21 or higher indicates "borderline" to "acceptable" food consumption. Results will be disaggregated by target groups such as households hosting ART or TB treatment clients.

¹⁵ Counterparts or partners' reports at the FDP level refer to food, cash or voucher distribution reports.

STRATEGIC OBJECTIVE 3: RESTORE AND REBUILD LIVES AND LIVELIHOODS IN POST-CONFLICT, POST-DISASTER OR TRANSITION SITUATIONS Goal: To support the re-establishment of the livelihoods and food and nutrition security of communities and families affected by shocks		
Outcome 3.1 Adequate food consumption over assistance period reached for target households ¹⁶	➤ Household food consumption score Target: Score exceeded 35 for 80% of target households Source: WFP community and household surveillance	➤ Government and donor support provided to WFP to implement the PRRO ➤ NGOs available to partner with WFP
Outcome 3.2 Improved adherence to ART and/or TB treatment	➤ Adherence rate¹⁷ Target: Adherence rate to ART and/or TB treatment is reached for 80% of patients Source: Patient information systems and/or monitoring data	➤ Government and donor support provided to WFP to implement food aid programmes ➤ NGOs available to partner with WFP
Outcome 3.3 Improved nutrition status in target groups of children and adults	➤ Prevalence of acute malnutrition among children under 5 (weight-for-height as %) Target: Nutrition recovery of 80% of patients Source: Patient information systems and/or monitoring data ➤ Number of patients who started food assistance at body mass index <18.5 who have attained body mass index >18.5 in two consecutive measures before termination of assistance Target: Nutrition recovery of 80% of patients Source: Patient and/or monitoring data	➤ Drugs and other medical supplies available ➤ Resources (staff, equipment and facilities) available for height, weight, and mid-upper arm circumference measurements ➤ Clinical partners available for development of integrated nutrition rehabilitation approach, including assessment, education and counselling
Outcome 3.4 Improved success rate of TB treatment for target cases ¹⁸	➤ TB treatment success¹⁹ rate Target: 85% TB treatment success rate²⁰ Source: Monitoring data and/or survey data	➤ Drugs and other medical supplies available ➤ Clinical partners available for development of integrated nutrition rehabilitation approach, including assessment, education and counselling
Output 3.1 (see Output 1.1)	(see performance indicators for Output 1.1)	(see assumptions for Output 1.1)

¹⁶ Results will be disaggregated by target groups.

¹⁷ This indicator will be reported separately for ART and/or TB treatment.

¹⁸ "Case of TB" refers to a patient in whom TB has been confirmed by bacteriology or diagnosed by a clinician (WHO, 2007).

¹⁹ "TB treatment success" is percent of TB cases who are cured plus percent of those with a course of treatment completed (WHO, 2007).

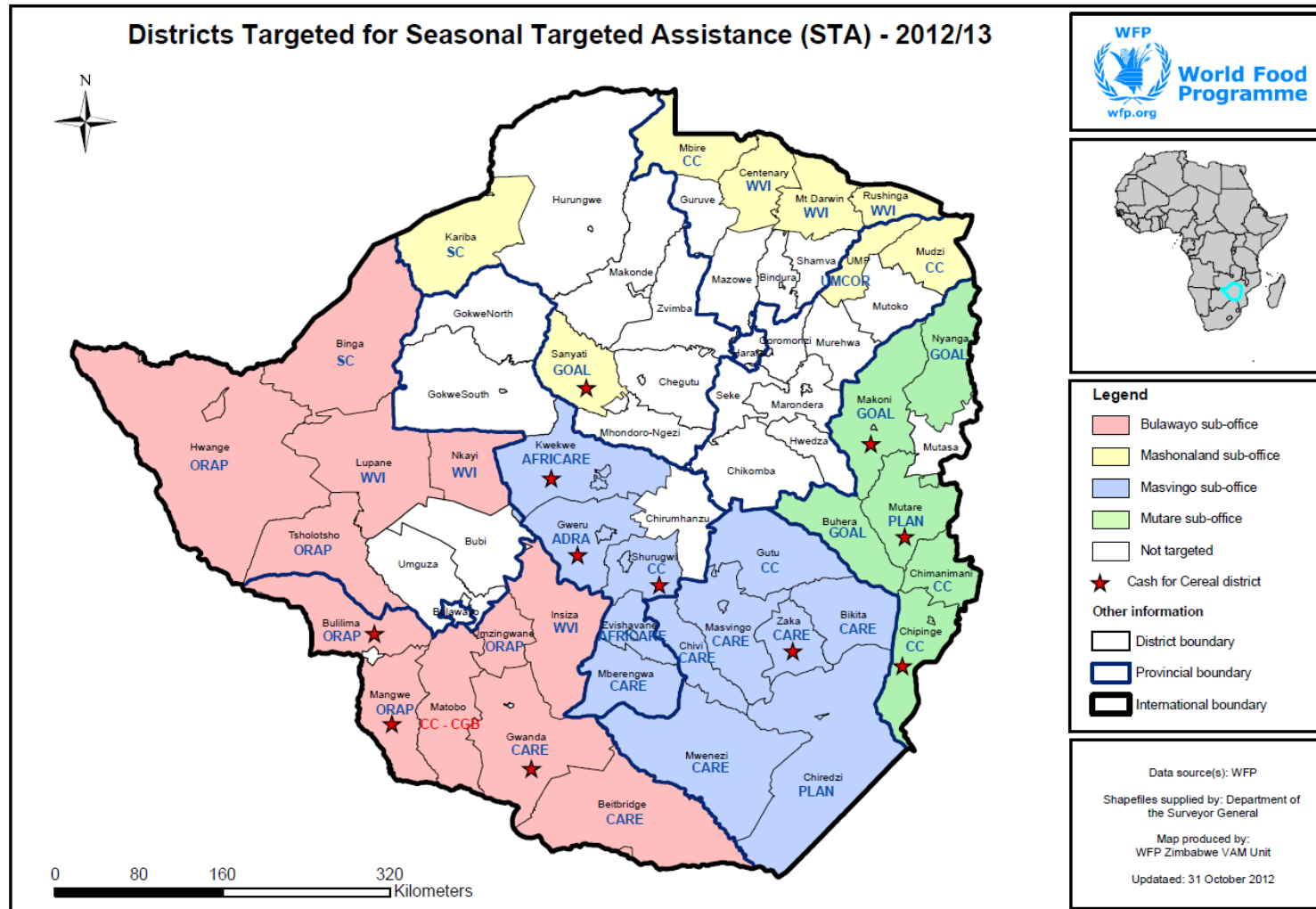
²⁰ WHO international target for patients going on TB treatment (WHO 2007), *Global TB control: surveillance, planning financing* (WHO, 2008).

STRATEGIC OBJECTIVE 5: STRENGTHEN THE CAPACITIES OF COUNTRIES TO REDUCE HUNGER, INCLUDING THROUGH HANDOVER STRATEGIES AND LOCAL PURCHASE

Goal: To strengthen government and community capacity to manage and implement hunger reduction policies and approaches (including through local purchase)

Outcome 5.1: Increased marketing opportunities at national level with cost-effective WFP local purchases	➤ Food purchased locally, as % of food distributed in-country Target: % increase in food purchased locally and cost-effectively Source: Annual monitoring and cost-effectiveness analysis	➤ Government and donor support is provided to WFP to implement local purchase ➤ Food commodities are available for local purchase ➤ Food commodities are offered at reasonable prices
Output 5.1: Food purchased locally	➤ Tonnage of food purchased locally, by type and country classification ➤ Food purchased locally, as % of total food purchased Target: Country office will have specific targets of what percentage will be purchased from different types of vendors, e.g. 90% from traders and 10% from farmer associations, targets are based on experience and projections Source: WINGS records	➤ Favourable pricing structures are maintained ➤ Commodity suppliers are available and willing to work with WFP

ANNEX III - MAP



LIST OF ACRONYMS AND TERMS USED IN THE DOCUMENT

ADRA	Adventist Development and Relief Agency (international NGO)
AFRICARE	international NGO
AGRITEX	Department of Agricultural, Technical and Extension Services
ART	anti-retroviral therapy
CARE	Cooperative for Assistance and Relief Everywhere (international NGO)
CC	Christian Care (national NGO)
CGB	Canadian Foodgrains Bank (international NGO)
DSC	direct support costs
FAO	Food and Agriculture Organization of the United Nations
FEWS-NET	Famine Early-Warning System Network
GOAL	international NGO
ISC	indirect support costs
LTSH	landside transport, storage and handling
NGO	non-governmental organization
ODOC	other direct operational costs
ORAP	Organization of Rural Associations for Progress (national NGO)
PLAN	Plan International (international NGO)
PRIZE	Promoting Recovery in Zimbabwe
PRRO	protracted relief and recovery operation
SC	Save the Children (international NGO)
TB	tuberculosis
UMCOR	United Methodist Committee on Relief (international NGO)
UNICEF	United Nations Children's Fund
WFP	United Nations World Food Programme
WHO	World Health Organization
WVI	World Vision International
ZimVAC	Zimbabwe Vulnerability Assessment Committee