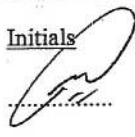




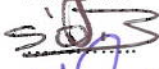

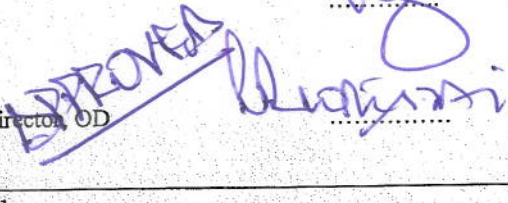


**Kenya<sup>1</sup> Food Assistance to Refugees in Kenya: PRRO 200174**  
**B/R No.: 2**

**PROJECT REVISION FOR THE APPROVAL OF:**  
**> Deputy Executive Director, Operations Department**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<b>ORIGINATOR</b> Country Office or		29/05/12	29/05/12	.....
<b>CLEARANCE</b>				
Regional Director		29-5-12	29-5-12	.....
Project Budget and Programming Officer, RMBP		30/5/12	30/5/12	.....
Chief, RMBP		30-5-12	31-5-12	.....
Chief, ODLT (change in LTSH and/or External Transport)		31/5/12	1/6/12	.....
Director and Deputy CFO, RMB		6/6	6/6	.....
Director, ODX		-	15/6	.....
<b>APPROVAL</b>				
Deputy Executive Director, OD				.....

*APPROVED*  
*W. K. K. K.*  
**JUNE 16, 2012**

PROJECT 200174.1	Previous Budget	Revision	New Budget
Food cost <sup>2</sup>	US\$ 232,649,039	US\$ 550,000	US\$ 233,199,035
External transport <sup>3</sup>	US\$ 51,587,697	US\$ 21,400	US\$ 51,609,097
LTSH <sup>4</sup>	US\$ 59,095,228	US\$ 7,652,240	US\$ 66,747,468
ODOC <sup>5</sup>	US\$ 8,684,607	US\$ 4,888	US\$ 8,689,495
DSC <sup>6</sup>	US\$ 29,995,032	US\$ 16,222	US\$ 30,011,254
ISC (7percent) <sup>7</sup>	US\$ 26,740,812	US\$ 577,133	US\$ 27,317,945
<b>Total WFP cost (US\$)</b>	<b>US\$ 408,752,411</b>	<b>US\$ 8,821,883</b>	<b>US\$ 417,574,294</b>

**TYPE OF REVISION**

Additional commodity    
 Additional DSC    
 Additional ODOC    
 Additional LTSH  
 Additional external transport    
 Extension or Reduction in time    
 Other

<sup>1</sup> If a regional project, please specify the countries concerned  
<sup>2</sup> Food cost can comprise both commodities and cash/voucher transfers.  
<sup>3</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>4</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>5</sup> Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.  
<sup>6</sup> Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.  
<sup>7</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 budget revision for Kenya protracted relief and recovery operation (PRRO) 200174 is required to:
  - accommodate commodities that were received in-kind, specifically 200 mt dates; and
  - increase the landside transport storage and handling (LTSH) rate by 17 percent, from US\$152 to 178 per mt, as per the recently approved LTSH matrix.

## **JUSTIFICATION FOR BUDGET INCREASE**

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

2. Under PRRO 200174 (1 October 2011–30 September 2014), WFP supports refugees in Dadaab and Kakuma camps and surrounding host communities, providing relief and ensuring the special nutritional requirements of vulnerable groups are met. A budget revision was approved in November 2011 to enable WFP to continue to respond to significant increases in refugee numbers, caused by the severe drought in the Horn of Africa and famine in Somalia.
3. The operation supports Strategic Objective 1 (Save lives and protect livelihoods in emergencies) and contributes to Strategic Objectives 2 (Prevent acute hunger and invest in disaster preparedness and mitigation measures) and 3 (Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations).
4. Activities under this PRRO include:
  - general food distributions to meet minimum nutritional requirements of refugees;
  - blanket supplementary feeding for children aged 6 to 59 months;
  - targeted supplementary feeding for malnourished children aged between 6 months and 10 years and for pregnant and lactating women;
  - mother-and-child health and nutrition for pregnant and lactating women;
  - institutional feeding for people living with HIV and tuberculosis clients on antiretroviral treatment, and support for caregivers of severely malnourished children in therapeutic feeding centres;
  - school meals to improve enrolment and attendance, with take-home rations as an incentive for girls' education;
  - food for training as an incentive for disenfranchised youth to gain life skills; and
  - food for assets to improve food security in host communities and mitigate tensions with refugees.

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

5. A review of the LTSH rate for the PRRO was conducted following the measures implemented by WFP Kenya in response to the Horn of Africa corporate emergency in 2011. The average LTSH increased rate from US\$152.1 to US\$178.7 per mt (an increase of 17 percent). The main reasons for the increased costs are:
  - a 19 to 25 percent increase in primary baseline transport rates in Kenya since 10 November 2011;
  - the application of transport incentives over and above the baseline rates to ensure faster deliveries to remotely located extended delivery points (EDPs). Those rates have been used since 9 December 2011 for deliveries to Dadaab, and since 12 January 2012 for Kakuma, and were effective until 15 April 2012;
  - the deployment of all-terrain trucks for pre-positioning in Dadaab prior to onset of the long rains - a difficult to access EDP;

- the establishment of a new transshipment point in Garissa in the northeast, which will be used as a pre-positioning hub for forward deliveries to Dadaab, especially when the roads are cut-off during the rainy seasons. The cost is equally shared between PRRO 200174 and PRRO 106660; and
- capital costs to improve the EDPs in Dadaab, namely: security lighting for the four camps (Ifo, Hagadera, Dagahaley and Ifo extension) where food stores are erected; the purchase of four trucks to replace old fleet and two tractors to tow trucks stuck on the main road to Dadaab, which is characterized by flooding during the rainy seasons.

**Purpose of budget increase**

6. The budget revision will (i) accommodate 200 mt commodities (dates) received in-kind, which are not part of the general food basket. The dates will enhance the food diversity for the refugees who are largely dependent upon WFP food assistance; and (ii) increase the LTSH rate by 17 percent, from US\$152.1 to 178.7 per mt, as per the recently approved LTSH matrix.

DISTRIBUTION:

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