

BUDGET REVISION TO PAKISTAN EMERGENCY OPERATION 200177

(BUDGET REVISION NUMBER 1)

EMERGENCY FOOD ASSISTANCE TO FAMILIES AFFECTED BY MONSOON FLOODS IN PAKISTAN.			
Cost (United States dollars)			
	Present budget	Increase	Revised budget
Food cost	2,265,140	88,482,642	90,747,782
External transport	12,360	10,539,023	10,551,383
LTSH	357,567	15,223,076	15,580,643
ODOC	412,177	12,739,186	13,151,363
DSC	422,070	11,261,498	11,683,568
ISC (7%)	242,852	9,677,180	9,920,032
Total cost to WFP	3,712,166	147,922,605	151,634,771

NATURE OF THE INCREASE

1. WFP proposes a budget revision to Pakistan emergency operation (EMOP) 200177 to meet the food requirements of up to an estimated 6 million vulnerable flood-affected individuals across the country over a period of three months. The budget revision seeks to target additional families affected by the increased extent of the flooding, expanding the operation's geographical coverage both within the province of Khyber Pakhtunkhwa (KPK) and into Punjab, Sindh, Balochistan, Pakistan-administered Kashmir (AJK) and Gilgit-Baltistan. Both beneficiary numbers and the period of assistance may be subject to review, based on the results of ongoing assessment exercises.
2. The revised nature of the EMOP proposed in this budget revision is reflected in the Pakistan Initial Floods Emergency Response Plan (PIFERP); formulated by the humanitarian community in collaboration with the government, and formally launched on 11 August 2010.
3. The revised beneficiary target has been informed by needs identified in WFP rapid assessments across 11 affected districts of KPK, in addition to other joint assessment exercises and government estimates for other provinces.
4. This budget revision to Pakistan EMOP 200177 is proposed to:
 - (i) Provide an additional 186,653 mt of food, valued at US\$ 88.5 million;
 - (ii) Provide additional associated costs: external transport; landside transport, storage and handling (LTSH); other direct operational costs (ODOC); and direct support costs (DSC); valued at US\$50 million; and
 - (iii) Provide additional indirect support costs (ISC), at a value of US\$9.7 million.

5. As in the original EMOP, assistance will be provided through general food distributions, which include a blanket supplementary feeding component for infants and a food supplement for young children.

JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

6. In late July and early August 2010, Pakistan experienced the worst monsoon-related floods in living memory. Heavy rainfall and subsequent flash and river flooding have devastated large parts of the country. While assessments of the precise extent of losses and damage are ongoing, new information from across the country estimates the number of affected people at almost 14 million, of which up to 6 million are in need of assistance. Over 1,600 people have died, and at least 360,000 homes have been destroyed.
7. The damage has been initially assessed most severe in KPK, where the effects of intense rains during the last week of July were compounded by the swelling of major rivers owing to rainwater surging down from highland areas. The Pakistan Meteorological Department estimated that within one week, KPK experienced 9,000 mm of rainfall; this is ten times as much as the province typically receives in an entire year. Punjab, Sindh, Balochistan, and to a lesser extent AJK and Gilgit-Baltistan, have also experienced extreme weather conditions, resulting in widespread damage and consequent humanitarian needs.
8. While flood waters temporarily began to recede in the northern provinces last week, water has now moved south via the Indus River. By early August, water had breached the river bank in at least eight districts of Punjab, devastating homes and crops in more than 1,300 villages and threatening large expanses of land in Sindh.
9. Across the affected areas, the flooding has devastated towns and villages, downed power and communications lines, and inflicted major damage to buildings, crop land, property and other assets. Many key roads and major bridges have been damaged or destroyed entirely, such that some badly-affected districts remain accessible only by water or air transport. Markets have also been severely disrupted, amid the destruction of physical infrastructure and stocks of both food and non-food items in the flood-affected locations. Food prices are reported to have increased dramatically, which will further compromise the limited purchasing power of families in affected areas and likely exacerbate the poor socio-economic conditions.
10. The Government, with the support of the armed forces, has taken the lead in responding to the disaster with the deployment of rescue activities. More than 30,000 people have now been rescued, and hundreds of thousands of people were evacuated from low-lying river areas as a preventive measure. Concurrently, the government, United Nations agencies, non-governmental organizations (NGOs), and other humanitarian operators, have all launched responses to provide life-saving emergency assistance.

11. On 1 August, and in the immediate aftermath of the heaviest rains, WFP began food distributions in accessible areas, targeting households whose homesteads, food stocks, assets and crops have been destroyed. By 11 August, approximately 4,600 mt of food had been distributed to 380,000 persons in KPK.¹ This immediate response was made possible by borrowing stock from existing WFP food assistance operations in the country. In order to support the continuation of urgent relief support, as well as to replenish borrowed stock, additional donor support is urgently sought.
12. This EMOP (200177) has been initially targeting up to 68,503 families (or 480,000 individual beneficiaries) residing in the most severely affected KPK districts of Peshawar, Nowshera, Charsadda, Mardan, Dera Ismail Khan (DI Khan) and Swat. These districts have been identified through rapid assessment exercises and in consultation with provincial government counterparts, with WFP focusing on areas where households have lost their homesteads, food stocks and other belongings.
13. Three immediately-available commodities are currently being distributed as monthly rations – fortified wheat flour, high-energy biscuits (HEB) and ready-to-use supplementary food (RUSF). Through the budget revision, the food basket will be expanded to address the minimum nutritional requirements of flood-affected households.
14. WFP already has an extensive operational presence in affected areas, placing it in a strong position to implement this EMOP effectively. This includes 9 humanitarian hubs already in place in KPK, 17 additional warehouses across the country, and a network of operational partnerships with both national and international NGOs.
15. The objective of WFP assistance under this emergency operation remains to mitigate the negative impacts of monsoon flooding on people whose food and nutrition security has been critically and abruptly compromised. More specifically, WFP aims to save lives and avert hunger for vulnerable flood-affected persons (WFP Strategic Objective 1 “save lives and protect livelihoods in emergencies”).

Conclusion and recommendation of the re-assessment

16. EMOP 200177 was based on initial tentative estimates of 1 million people in need of assistance. Since then, WFP rapid food needs assessments have now been completed in 11 affected districts of KPK. This survey has identified approximately 2.7 million people across the province whose homes have either been fully destroyed or have become temporarily uninhabitable. A total of 65 assessment teams have visited affected villages and carried out rapid assessments in which they interviewed key informants, individual families or village representatives.
17. Current provincial government estimates - which are in line with tentative results from other joint assessments, including the WFP-supported United Nations Disaster Assessment and Coordination (UNDAC) mission currently underway - place the number of affected people in Punjab at 1.8 million, in Sindh at 900,000, in Balochistan at 400,000, and AJK and Gilgit-Baltistan at 200,000.

¹ This was the status of WFP distributions at the time of the PIFERP launch. By 16 August, WFP had distributed 8,800 mt to 738,000 people (8,266 mt to 676,000 people in KPK; 359 mt to 46,000 people in Sindh; and 207 mt to 16,000 people in Punjab).

18. Further assessments are ongoing, and other joint survey teams continue to be deployed to affected areas by both air and road, where possible, in order to assess the full extent of the damage and ensuing needs. Several United Nations agencies (including WFP) and NGOs are in the process of carrying out a multi-sectoral assessment in Balochistan based on the Multi-Cluster Rapid Assessment Mechanism (McRAM), with detailed findings expected in the coming days (mid-August). In Punjab and Sindh, WFP assessment teams are now in the process of supporting a UNDAC mission in flood-affected districts, and results are expected to be shared by late-August. WFP is also initiating the monitoring food prices in affected markets in order to provide regular information relevant to ongoing humanitarian responses, and to inform the potential introduction of any cash-based programming that may be feasible.
19. Other agency-specific assessment missions are also being undertaken, which have, to a large extent, contributed to the methodologies of main assessments and confirmed and supplemented many of their findings.
20. All exercises continue to indicate common relief priorities, now reflected in the PIFERP which was launched on 11 August 2010. With proposed responses in seven key sectors, the total value of the appeal stands at US\$460 million for interventions spanning a three-month period. WFP has included response strategies for food assistance, logistics and emergency telecommunications within the PIFERP. At a total cost of US\$156 million (of which US\$5.7 million will be resourced by the Food and Agriculture Organization for livestock feeding), the Food Security Cluster is appealing for 34 percent of the total requirements in the PIFERP. A separate WFP Special Operation (SO 200181) will account for logistics and emergency telecommunications responses.
21. The most likely scenario identified in the plan is that moderate monsoon rains will continue to fall throughout August, causing more localized flooding (potentially including heavy flash and river floods in some parts of the country). As such, planning assumptions will be subject to further developments in the coming weeks. Over the medium to long term, the food security situation in the country is expected to be affected by the significant loss of crops and livestock, as well as other livelihood opportunities, as result of the flood.
22. With the support of WFP's Preparedness and Response Branch, the Country Office will continue to use satellite imagery, remote sensing data and geographic information system (GIS) technology in order to: i) monitor and forecast the progress of the floods; ii) assess structural damage in the affected areas; iii) forecast floodwaters receding; and iv) rapidly assess crop and agricultural land losses. This information will help WFP to better prioritize the areas of intervention during the present EMOP and strengthen the design of possible further interventions.
23. WFP's ongoing operations in affected areas are facilitating the food assistance response. However, the flooding has additionally affected WFP's own response capacity; with in-country food stocks sustaining some losses, amid significant damage to the key storage facilities of Pirpai and Azakhel. As such, urgent donor support will be crucial for WFP's response and efforts are ongoing to expedite the receipt of additional food stocks in-country.

24. In response to the expanding scale of the disaster, WFP proposes to expand its current emergency operation to meet the immediate food needs of an estimated 6 million flood-affected individuals across all affected provinces until the end of October WFP intends to reach this planned peak number of beneficiaries during September, as access improves in targeted areas. For planning purposes, it is expected that the peak level beneficiaries will require one month of assistance only, while an estimated 3 million of the most vulnerable affected people will require food assistance for the full three-month intervention. These estimates are subject to change on the basis of ongoing assessments. Both national and provincial government authorities have requested that WFP scale-up its provision of food assistance.
25. Initial food assistance focused KPK, which was severely impacted by the flooding and where existing vulnerabilities already threatened the food security of targeted groups. WFP has subsequently expanded operations into Punjab, Sindh, Balochistan and other provinces where conditions have continued to worsen. Given this evolving situation, the EMOP contains a contingency element.
26. In line with recent recommendations and assessment findings, the general family food basket will be expanded to consist of: wheat flour, pulses, vegetable oil, sugar, salt and tea.² Under supplementary components, high-energy biscuits (HEB), and ready-to-use supplementary food (RUSF) will be provided to young children and infants with the aim of preventing nutritional declines amongst these particularly vulnerable groups. Given the short duration of the EMOP, no separate outcome or related indicator for performance monitoring can be assigned to this component.
27. Care will be taken to avoid potential overlaps with the remainder of WFP's operational portfolio in Pakistan. This EMOP is distinct in nature from the ongoing protracted relief and recovery operation (PRRO 106710) assisting food-insecure households in the country's Federally Administered Tribal Areas (FATA) and Balochistan; an EMOP (107680) responding to the effects of high food prices across the country; and the ongoing Country Programme (102690). Under a third separate EMOP (108280), just over 1 million conflict-affected IDPs and returnees from KPK and FATA are receiving relief assistance in many of the same areas affected by the floods. However, detailed beneficiary databases will be maintained for both operations to ensure that recipient families only receive assistance once.

Purpose of budget increase

28. The purpose of this budget revision is to cover the provision of food assistance for up an estimated 6 million beneficiaries across 61 identified districts in the KPK, Punjab, Sindh, Balochistan, AJK and Gilgit-Baltistan provinces of Pakistan. Actual beneficiary numbers may be adjusted, in accordance with the latest findings of ongoing assessment exercises.
29. In line with the current PIFERP, the duration of the EMOP is currently set at three months, over which time the basic food needs of target flood-affected families will be met. A review of the PIFERP is planned after 30 days, which may determine the need for relief food assistance to continue beyond October. If so, and as the full extent of the

²WFP procures fortified wheat flour, vegetable oil, and salt i.e. vitamins and/or minerals are added to increase overall nutritional content.

damage becomes clearer through ongoing assessments, an extension to the period of assistance of this EMOP may be recommended. Furthermore, WFP will conduct further assessments at a later stage, to clarify ongoing relief requirements as well as emerging early recovery needs, while the PIFERP review will also consider the need for early recovery support.

30. General food distributions will take place on a monthly basis. The ration has been determined to meet the needs of a family of six persons. Blanket feeding for infants and food supplements for young children will take place alongside distribution of the general family food basket to help prevent any decline in their nutritional status. RUSF will be provided to children between the ages of 6-24 months, while children aged 2-12 years will receive HEB. Based on observed population statistics, each family will receive RUSF for one child and HEB for two children.
31. WFP intends to adopt a two-level process for precise targeting. Geographically, the most severely affected villages will be identified by WFP assessment teams, complementing additional joint survey missions. At the household level, cooperating partners will identify vulnerable families qualifying for assistance, on the basis of lost property, household food stocks and assets. Verifiable indicators include: houses affected by residual flood waters, and destroyed or severely damaged houses. The target group may also include displaced populations housed in temporary shelters, such as schools, hospitals, and camps.
32. **Implementation arrangements:** Existing implementation arrangements through local and international NGO partners will remain in place. Partners will receive food from WFP at mutually-agreed extended delivery points (EDPs) established at the district level, and in close proximity to where beneficiaries are residing where possible. NGO partners will then be responsible for undertaking food distributions to beneficiaries, and for reporting on progress. WFP is currently in the process of establishing EDPs and distribution points at locations in closer proximity to some of the worst-affected areas, and pre-positioning food at the same. Vulnerable female-headed households, unaccompanied children and the elderly will be prioritized for assistance. WFP will aim to facilitate the receipt of relief rations by women and female-headed families (an estimated 10 percent of all those supported). Separate facilities will be established for women at distribution points, and female staff will be deployed. Assessment teams aim to include women where possible and beneficiary data is disaggregated by gender.
33. Given the urgency of needs, food items will continue to be borrowed from existing in-country stocks for the immediate period, and replenished thereafter by new purchases. Cereals, pulses, salt, tea and HEB will likely be purchased locally, oil and sugar from international markets, and RUSF from both local and international suppliers. However, the WFP Country Office will retain the option to purchase food from alternative markets as appropriate, in consultation with WFP headquarters procurement. Milling and fortification will be arranged with selected mills located in various provinces to provide high-quality fortified wheat flour.
34. Compounding the delivery of assistance to date has been the issue of access to areas where destroyed infrastructure has made it impossible for aid to reach people by road. For areas of Upper Swat that remain entirely inaccessible by any other means, WFP has accepted an offer from the Government of Pakistan for the use of six military helicopters. This arrangement will likely remain in place for the month of August, and

then be reviewed. By 8 August, more than 30 mt of much-needed food had been transported to the Kalam Valley. This is an exceptional measure to allow for the provision of life-saving assistance under the most urgent of circumstances demanding immediate action. Assessment, targeting, beneficiary selection and actual distribution remain under the exclusive control of WFP (in collaboration with NGO cooperating partners).

35. As the operation progresses, and contingent upon the necessary authorization from the Government, WFP may contract its own civilian air assets (accounted for under a separate Special Operation), which will allow for the delivery of urgent humanitarian cargo to areas that continue to be inaccessible by road. Deployment of civilian air assets will be subject to all necessary clearances from the Pakistani national authorities and the United Nations Department for Safety and Security (UNDSS).
36. In the face of ongoing access constraints and poor weather, WFP is exploring alternative means of transport that would be less costly and more reliable, including transport by mule.
37. **Partnerships:** Established partnerships with the National Disaster Management Authority (NDMA) and Provincial Disaster Management Authority (PDMA) will facilitate policy decisions at the federal and provincial levels. Both international and national NGOs are key partners for WFP in the delivery of programmes and WFP continues to broaden and deepen these partnerships as the operation scales-up.
38. **Coordination:** The Food and Logistics Cluster forums (led by WFP) are used to maximize coordinative opportunities and ensure effective and timely joint responses – by averting the incidence of overlaps and pursuing complementarity among multiple inputs. WFP is also an active participant in other relevant clusters, which meet regularly to exchange situation reports as well as updates on activities under implementation.
39. Effective coordination mechanisms are also in place to avoid duplication of the Government's own efforts with those of the humanitarian community. At the federal level, a Special Support Group (SSG) provides overall coordination and leads government activities. NDMA and its provincial counterparts are partners for both policy decisions and implementation at the federal and provincial levels. As with previous emergencies in KPK, it is likely that field-level coordination will fall under the mandate of the Provincial Relief Commissioner (PRC), whose office works closely with all humanitarian clusters in the key operational hub of Peshawar.
40. **Monitoring:** Where the security situation permits, WFP will undertake beneficiary contact monitoring to maximize accountability. Information on numbers of beneficiaries and the amount of food distributed by commodity will be provided by cooperating partners and verified by WFP. An online distribution monitoring system³ instituted for WFP's emergency response to the needs of crisis-affected persons in KPK will be extended to cover activities supporting flood-affected communities, so that WFP can ensure rations are received by the intended beneficiaries only. The system also allows

³ Under this system, an electronic database of target beneficiary households includes information from their government-issued National Identity Cards (NIC). These cards are then required to be presented at the time of receipt of WFP food rations, and cross-checked against the online database which can be accessed at all distribution sites. The system then records the beneficiary family's receipt of their monthly ration (with details of date, time and place), precluding any further distribution during that month at another site.

WFP to have real time information on assistance provided and to calculate expenditures incurred.

41. WFP will maintain coordination and oversight of all monitoring processes by providing corporate monitoring and reporting tools to partners, and cross-verifying information via other sources.
42. **Security:** The omni-present threat of militant incidents involving a suicide or complex attack remains across the country and government installations continue to be subject to regular assault.
43. The focus of the United Nations Security Management System in Pakistan – of which WFP is an integral part – is to protect as fully as possible against likely threats, while enabling operational continuity. This is pursued by a series of protocols which dictate the volume and movement of staff in various locations, the provision of defensive measures at all operational sites and adherence to additional directives, for example, in response to reported threats. WFP participates in United Nations Security Management Team deliberations, and implements all ensuing recommendations.
44. WFP's security unit leads an NGO security training forum which has expanded to include detailed collaborative security advice to partners and support for the timely implantation of security measures to mitigate against attacks on distribution sites.
45. KPK is currently under United Nations Security Phase 4 conditions, and the rest of the country remains under Phase 3. In those areas where international staff are not present or unable to access, national staff and those of WFP's extensive network of NGO cooperating partners will maintain a field presence. All WFP locations are minimum operating security standards (MOSS)-compliant, with one sub-office in Karachi recently having to relocate due to the recommendation of a WFP Field Security Division blast assessment.

TABLE 1. BENEFICIARIES BY ACTIVITY TYPE

Activity	Present		Increase		Revised	
	Male	Female	Male	Female	Male	Female
General Food Distribution (all)	245,000	234,500	2,815,000	2,705,500	3,060,000	2,940,000
Food Supplement children 2-12 years	69,870	67,130	804,416	772,870	874,286	840,000
Blanket Supplementary Feeding (6-24 months)*	34,935	33,565	402,208	386,435	437,143	420,000
Total	479,500		5,520,500		6,000,000	

* Infants and young children receiving supplementary foods are already accounted for in the General Food Distribution beneficiary caseload, and are therefore not added to the total

46. In line with recent recommendations and assessment findings, the general family food basket will be expanded to consist of cereals (wheat flour), pulses, vegetable oil, sugar, salt and tea, the ration size of which will meet the recommended minimum daily Kcal intake. Tea and sugar are important components of the local diet and have been specifically requested by beneficiaries, government and donors. HEB will also be

provided to children between the ages of 2 and 12 years, and RUSF to infants aged 6-24 months to prevent further deterioration of nutritional status.

TABLE 2: DAILY FOOD RATION/ TRANSFER BY ACTIVITY (g/person/day)			
Commodity Type	General Food Distribution (all)	Food Supplement for children 2-12 years	Blanket Supplementary Feeding (6-24 months)
Cereals	444		
Tea	2		
Sugar	22		
Salt	6		
Oil	26		
Pulses	44		
HEB		75	
RUSF			50
Total	544	75	50
Total kcal/day	2,022	338	260
% Kcal from protein	12.6	10.7	14.0
% Kcal from fat	14.7	30.0	32.0

FOOD REQUIREMENTS

47. The proposed extension of food assistance activities under this EMOP, to provide up to 6 million beneficiaries with relief rations over a period of three months, will lead to an increase of 186,653 mt of food. This will increase the total food requirements of EMOP 200177 from 5,947 mt to 192,600 mt.

TABLE 3. FOOD REQUIREMENTS BY ACTIVITY TYPE (mt)			
Activity	Present	Increase	Revised
General Food Distribution (all)	5,535	175,989	181,524
Food Supplement	309	7,998	8,307
Blanket Supplementary Feeding	103	2,666	2,769
Total	5,947	186,653	192,600

TABLE 4: TOTAL FOOD REQUIREMENTS BY ACTIVITY (mt)				
Commodity Type	General Food Distribution (all)	Food Supplement for children 2-12 yrs	Blanket Supplementary Feeding 6-24 mths	Total (mt)
Cereals	143,034			143,034
Pulses	14,811			14,811
Oil	8,331			8,331
Salt	1,851			1,851
Sugar	7,406			7,406
Tea	555			555
HEB		7,998		7,998
RUSF			2,666	2,666
Total	175,989	7,998	2,666	186,653

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APPROVAL

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ANNEX IA: BUDGET INCREASE COST BREAKDOWN

Commodity Related Portion			Cash & Voucher Transfer	Total Increase
COSTS	Tonnage (mt)	Value (US\$)	Value (US\$)	Value (US\$)
Commodity / Cash & voucher				
Cereals ⁴	143,034	46,173,478		46,173,478
Pulses	14,811	7,281,891		7,281,891
Oil and Fats	8,331	8,504,890		8,504,890
Mixed and Blended Food	10,664	19,727,638		19,727,638
Black Tea	555	1,610,747		1,610,747
Others	9,257	5,183,997		5,183,997
Cash Transfer to beneficiaries				
Voucher Transfer to beneficiaries				
Total commodity / Cash & voucher	186,653			88,482,642
External transport		10,539,023		10,539,023
LTSH		15,223,076		15,223,076
ODOC (Other direct operational costs)		12,739,186		12,739,186
DSC (Direct support costs)⁵ (see table below for details)		11,261,498		11,261,498
Total WFP direct costs				138,245,425
Indirect support costs (7%)⁶				9,677,180
TOTAL WFP COSTS				147,922,605

⁴ This is a notional food basket for budgeting and approval. The contents may vary.

⁵ Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

⁶ The indirect support cost rate may be amended by the Board during the project.

ANNEX IB

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and Staff Related Costs	
International Professional Staff	\$6,076,664
International GS Staff	\$0
Local Staff - National Officers	\$0
Local Staff - General Service	\$0
Local Staff - Temporary assistance	\$717,919
Local Staff - Overtime	\$0
Hazard Pay & Hardship Allowance	\$530,454
International Consultants	\$340,000
Local Consultants	\$100,000
Non Staff HR: UNV	\$0
Commercial Consultancy Services	\$0
Staff duty travel	\$543,910
Subtotal	\$8,308,947
Recurring Expenses	
Rental of Facility	\$300,000
Utilities General	\$30,000
Office Supplies and Other Consumables	\$100,000
Communications and IT Services	\$503,551
Equipment Repair and Maintenance	\$50,000
Vehicle Running Cost and Maintenance	\$350,000
Office Set-up and Repairs	\$0
UN Organization Services	\$0
Subtotal	\$1,333,551
Equipment and Capital Costs	
Vehicle leasing	\$119,000
TC/IT Equipment	\$700,000
Local Security Costs	\$800,000
Subtotal	\$1,619,000
TOTAL DIRECT SUPPORT COSTS	\$11,261,498