

## PROJECT BUDGET REVISION FOR APPROVAL BY THE REGIONAL DIRECTOR

5) To:	Initials	In Date	Out Date	Reason for Delay
Regional Director				
4) Through:	Initials	In Date	Out Date	Reason for Delay
Programme Adviser, RB				
3) Through:	Initials	In Date	Out Date	Reason for Delay
Logistic Officer, RB (change in LTSH and/or External Transport)				
2) Through:	Initials	In Date	Out Date	Reason for Delay
Resource Management Analyst, RB				
1) From:	Initials	In Date	Out Date	Reason for Delay
Country Office				

**Mozambique CP 200286.**  
**BR No.6**

<b>Total revised number of beneficiaries</b>	No change
<b>Duration of entire project</b>	46 months
<b>Extension / Reduction period</b>	n.a.
<b>Gender market code</b>	n.a.
<b>WFP food tonnage</b>	n.a.

**Start date:** 01 January 2012 **End date:** 31 December 2015 **Extension/Reduction period:** N/A **New end date:** N/A

### Cost (United States dollars)

	<b>Current Budget</b>	<b>Increase</b>	<b>Revised Budget</b>
Food and Related Costs	US\$ 60 241 004	US\$ 813 648	US\$ 61 054 652
Cash and Vouchers and Related Costs	US\$ 13 217 509	US\$	US\$ 13 217 509
Capacity Development & Augmentation	US\$ 3 281 103	US\$	US\$ 3 281 103
DSC	US\$ 19 501 803.62	US\$ 165 907	US\$ 19 667 710
ISC	US\$ 6 740 679	US\$ 68 569	US\$ 6 809 248
<b>Total cost to WFP</b>	<b>US\$ 103 036 099</b>	<b>US\$ 1 048 123</b>	<b>US\$104 084 223</b>

### 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 INCREASE

1. *This sixth budget revision (BR) to Mozambique Country Programme (CP) 200286, is required to adjust the staff cost budgeted under LTSH which, according to the Memorandum on Budgeting for national fixed term logistics staff, should be budgeted under DSC and regarded as support costs. This BR will also incorporate revisions to the LTSH matrix, approved on 05 May 2015.*
2. *Consequently, the LTSH will increase by USD 813,648 and the DSC will increase by USD 165,907. The overall project value will be increased by USD 1,048,123 with a revised total project value of USD 104,084,223.*

## JUSTIFICATION FOR THE REVISION

### *Summary of existing project activities*

3. *CP 200286 sets the framework for the implementation of the WFP Country Strategy in Mozambique. It pursues WFP's transition from food aid to food assistance by supporting and strengthening government programmes in Mozambique that will eventually constitute sustainable, national solutions to food insecurity.*
4. *The CP is articulated in five components:*
  - **School Feeding:** WFP provides technical and policy support to strengthen the capacity of national and sub-national authorities to design a national School Feeding Programme, whilst providing implementation support covering up to 213,000 children over the project period.
  - **Social Protection:** This component underpins the implementation of the National Strategy of Basic Social Security and focuses on two of its four elements, namely 1) Direct Social Action (PASD) that targets extremely vulnerable individuals including orphans and vulnerable children as well as the chronically ill through direct food assistance, and 2) Productive Social Action (PASP) that targets vulnerable families with labour capacity through cash-for-work (CFW) or food-for-work (FFW) programmes.
  - **Nutrition:** Under this component, WFP is assisting the Ministry of Health (MISAU) to roll out the Nutrition Rehabilitation Programme (PRN) for moderate acute malnutrition in complementary support of HIV and TB care and treatment, comprehensive pediatric consultations and pre-natal services reaching 30,000 clients per month. WFP also supports MISAU in the implementation of the government's Multi-Sectoral Action Plan to Reduce Chronic Under nutrition (MAPRCU) including research to evaluate the effectiveness of various supplementary foods on the reduction of micronutrient deficiencies and stunting in children aged 6-24 months.
  - **Risk Reduction:** WFP supports capacity development of INGC (National Institute for Disaster Management) and SETSAN (Technical Secretariat for Food Security and Nutrition) in risk analysis and mapping, and food and nutrition security analysis.
  - **Market Access:** WFP aims to build the capacity of smallholder producers, especially women, as well as processors through training in quality control, storage, transformation



## World Food Programme

and marketing to facilitate access to markets by addressing limited marketing infrastructure. The inclusion of women will be enhanced through the delivery of labor saving technologies at individual and association levels that allow them to actively participate and through training in organizational capacity and gender awareness.

5. *Each component is underpinned by a national strategy and therefore all activities are in essence owned by government, thus facilitating the future handover from WFP support and technical assistance towards sustainable, country-owned hunger solutions*

### *Purpose of budget increase*

6. *This budget revision increases DSC to include staff costs previously budgeted under LTSH.*
7. *The LTSH matrix with revised rates was approved by OSLT on 05 May 2015. The overall LTSH rate cost increased by 53.72 percent compared to the previous LTSH rate (approved August 2014). The current revision resulted in an adjustment of the LTSH rate from USD 202.16 to USD 310.75 per metric ton. The increase results from a general rise in logistics service costs due to increasing demand by the private sector (mining, fertilizer, cement and tobacco companies). Additionally, it incorporates the LTSH deficit as shown by the analysis conducted in April, which is mainly due to non-LTSH salaries allocated to LTSH, and high fixed costs due to the low resourcing levels for the CP.*

Drafted by: Punam Chandulal, Country Office  
 Cleared by: Abdoulaye Balde Country Office on 21 May, 2015  
 Cleared by: [name] Regional Bureau on [date]


**ANNEX I-A**

<b>PROJECT COST BREAKDOWN</b>			
	<b>Quantity (mt)</b>	<b>Value (US\$)</b>	<b>Value (US\$)</b>
<i>Food Transfers</i>			
Cereals			
Pulses			
Oil and fats			
Mixed and blended food			
Others			
<b>Total Food Transfers</b>			
External Transport			
LTSH		813 648	
ODOC Food			
<b>Food and Related Costs <sup>1</sup></b>			<b>813 648</b>
C&V Transfers			
C&V Related costs			
<b>Cash and Vouchers and Related Costs</b>			
<b>Capacity Development &amp; Augmentation</b>			
<i>Direct Operational Costs</i>			813 648
Direct support costs (see Annex I-B)			165 907
<b>Total Direct Project Costs</b>			<b>979 554</b>
Indirect support costs (7.0 percent) <sup>2</sup>			68 569
<b>TOTAL WFP COSTS</b>			<b>1 048 123</b>

<sup>1</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>2</sup> The indirect support cost rate may be amended by the Board during the project.

**ANNEX I-B**

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>	
<b>WFP Staff and Staff-Related</b>	
Professional staff *	75 381
General service staff **	78 525
Danger pay and local allowances	0
<b>Subtotal</b>	<b>153 907</b>
<b>Recurring and Other</b>	<b>12 000</b>
<b>Capital Equipment</b>	<b>0</b>
<b>Security</b>	
<b>Travel and transportation</b>	
<b>Assessments, Evaluations and Monitoring<sup>3</sup></b>	
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>165 907</b>

\* Costs to be included in this line are under the following cost elements: International Professional Staff (P1 to D2), Local Staff - National Officer, International Consultants, Local Consultants, UNV

\*\* Costs to be included in this line are under the following cost elements: International GS Staff, Local Staff - General Service, Local Staff - Temporary Assist. (SC, SSA, Other), Overtime

<sup>3</sup> Reflects estimated costs when these activities are performed by third parties. If WFP Country Office staff perform these activities, the costs are included in Staff and Staff Related and Travel and Transportation.