

Budget Increase to Emergency Operation 200298 in the occupied Palestinian territory

“Emergency food assistance to the non-refugee population in the Gaza Strip”

Start date: 1st January 2012

End date: 31st December 2013

Extension/Reduction period: 6 months

New end date: 30th June 2014

Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	68,367,618	10,774,054	79,141,673
Cash and Vouchers and Related Costs	13,454,192	5,034,000	18,488,192
Capacity Development & Augmentation	-	220,000	220,000
DSC	7,318,355	2,029,840	9,348,195
ISC	6,239,812	1,264,053	7,503,864
Total cost to WFP	95,379,977	19,321,947	114,701,924

NATURE OF THE INCREASE

1. The proposed budget revision (BR) to Emergency Operation (EMOP) 200298 ‘Emergency food assistance to the non-refugee population in the Gaza Strip’ will:
 - extend the operation in time from 1 January to 30 June 2014, with the same number of beneficiaries and activities;
 - increase the budget by US\$ 19,321,947, including:
 - An additional 17,318 MT in food transfers, valued at US\$ 8,578,026;
 - Additional value-based voucher transfers of US\$ 4,554,000; and,
 - Additional indirect support costs (ISC) of US\$ 1,264,053.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

2. WFP is assisting the non-refugee population in the Gaza Strip while the United Nations Relief and Works Agency for Palestinians (UNWRA) targets registered refugees. The number of refugees is 1.1 million, while the non-refugee population in Gaza is estimated at nearly 550,000 people¹.
3. The EMOP addresses WFP Strategic Objectives 1 “Save lives and protect livelihoods in emergencies” and 3 “Reduce risk and enable people, communities and countries to meet their own food and nutrition needs.” It supports Millennium Development Goals 1

¹ “On the Eve of the International Day of Refugee”. Palestinian Central Bureau of Statistics. June 20, 2012

“Eradicate extreme poverty and hunger” and 2 “Achieve universal primary education”. The EMOP is in line with the Palestinian Authority’s priorities for the Gaza Strip.

4. WFP is currently providing assistance through the following activities:

- General Food Assistance (GFA-food) targets 170,000 food-insecure beneficiaries living below the deep national poverty line and with the highest food consumption gaps. GFA-food is implemented in partnership with the Ministry of Social Affairs (MoSA) and with the international non-governmental organization Global Communities (formally known as CHF).
- In partnership with MoSA, WFP provides assistance to 7,000 individuals in orphanages and other special care institutions with food rations in addition to fortified date bars.
- General Food Assistance using value-based-vouchers (GFA-voucher), implemented in partnership with OXFAM GB, targets 50,000 food-insecure beneficiaries living below the deep poverty line, with a poor or borderline Food Consumption Score (FCS). Families receive debit cards which allow them to purchase dairy products, eggs, cereals, bread, and other nutritious locally produced food. The value of the voucher is calculated based on the local market value of the in-kind ration which is US\$12.5/person/month.
- A combined in-kind/voucher modality implemented as a pilot in partnership with Global Communities and Oxfam GB targets 10,000 beneficiaries who are extremely poor and have few resources to close the food and nutrient gap. Under this transfer modality, beneficiaries receive a ration of fortified wheat flour, equivalent to that provided to the beneficiaries under the GFA-food modality, in addition to a GFA-voucher valued at US\$ 9/person/month. The voucher can be redeemed for the items available under the voucher programme.
- The School Feeding (SF) activity targets 80,000 non-refugee schoolchildren in public primary schools managed by the Ministry of Education and Higher Education (MoEHE). SF addresses short-term hunger and meets nutritional needs through i) the provision of locally-produced fortified date bars or biscuits to give children energy and help boost concentration levels, and ii) health awareness sessions for students and their families to increase knowledge about good food and nutrition practices.
- The “Nutrition Awareness Campaign” targets 600 female voucher beneficiaries offering a series of nutrition and healthy living educational sessions. The project aims to i) improve the nutritional knowledge of women voucher beneficiaries by sensitizing them on appropriate nutritional practices, and consequently increasing the dietary impact of the voucher programme, and ii) empower women by strengthening informal networks, increasing resilience at the community level and enhancing the development of neighbourhood groups through community events.

Conclusion and Recommendations of the Re-Assessment

5. Recent humanitarian appeals for the West Bank and Gaza have underlined the lack of political progress in the peace process, internal Palestinian divisions and the compounded effect of long-term policies linked to the occupation, as the root causes of humanitarian suffering and vulnerability. While donors have generously contributed to humanitarian programmes for the most vulnerable Palestinian families and communities, durable solutions, development and peace can only come from a political settlement and a lifting of the blockade to allow a free economy.²

² 2014 Humanitarian needs overview – OCHA report

6. According to the 2012 Socio Economic and Food Security Survey, the overall prevalence of food insecure households in Palestine rose from 27 percent in 2011 to 34 percent in 2012.³ In the Gaza Strip, household food insecurity levels reached 57 percent, a surge from 44 per cent in 2011, and the proportion of food secure households dropped from 23 to 10 percent.
7. The root causes for the worsening food security situation stem from the access restrictions on people and goods imposed by the blockade. Export restrictions, for example, have continued to confine productive sectors largely to the small and poor local market. The resulting emerging trend in Gaza is a growing category of working food insecure people, which has been considerably worsened by the delays in public sector wage payments. In Gaza, 89 percent of households continue to rely heavily on negative coping mechanisms.
8. The protracted humanitarian situation in Gaza is punctuated intermittently by conflict, resulting in increased humanitarian needs.⁴
9. Recent economic shocks are making the situation worse. The fiscal crisis has delayed payments to civil servants -- 44 percent of households in Gaza have family members employed in the public sector. Overall, Gaza's gross domestic product growth fell from 17.6 percent in 2011 to 6.6 in 2012, with unemployment rising from 28.7 in 2011 to 31 percent in 2012 (compared to an unemployment level of 17 percent in 1999).
10. Restrictions resulting from the Egyptian political crisis (since July 2013), including the limited functioning of the Rafah crossing and the almost total closure of informal tunnels, have negatively impacted the already fragile humanitarian situation in the Gaza Strip. As a consequence of tunnel closures, fuel prices in Egypt have increased by 20 percent, from New Israeli Shekel (NIS) 3.1/litre in June 2013 to NIS 3.73/litre in September 2013. Food prices also began to rise as of September 2013.
11. The curbs on trade will likely result in further cost of living increases. Goods coming to Gaza through Israel cost 15 to 50 percent more than goods coming to Gaza through Egypt. With the average Gaza household already spending 50 percent of its income on food, any price inflation will decrease purchasing power and erode resilience, resulting in rising food insecurity. Additionally, many Gazan men rely on the construction sector for their employment and income, and the reduction of trade has virtually ceased construction materials from crossing into Gaza, leaving many people without a job.
12. While malnutrition rates (stunting and wasting) in children under 5 years old are low⁵, other indicators are increasing public health concerns. The prevalence of anaemia reaches 68.1 percent among children aged 6-59 months and 39.1 percent among pregnant women.^{6,7} United Nations agencies and partners are monitoring the nutrition situation. UNICEF is finalizing a multi-cluster indicators survey report, which will provide updated data on the nutritional situation. In addition, a Micronutrient Survey (expected to be published in February 2014) will provide information on iodine and sodium levels among schoolchildren and children under the age of five.

³ WFP/Food and Agriculture Organization of the United Nations (FAO)/United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), *Socio-Economic and Food Security Survey Report. West Bank and Gaza Strip, Palestine, 2012.*

⁴ 2014 Humanitarian needs overview – OCHA report

⁵ Palestinian National Authority, Ministry of Health, Nutrition Department. National Nutritional Surveillance System 2011 Report .

* GAM is 4.6% (under the standard <5%) , Stunting is 5.1% (under the standard <20%), and underweight is 3.72% (under the standard of <10%).

** Category Prevalence indicators : Severe Public Health Problem Moderate Public Health Problem Mild Public Health Problem Children < 5 years Pregnant women

Mild / Moderate Anemia (Hb <11-7g/dl) > or = 40 % 20-39.9% 5-19.9% 68.1% 39.1 %

Severe Anemia (Hb <7g/dl) > 10% 1-9.9% 0.1-0.9% 0.1% 0.1%

Stunting (<-2 Z-score Ht/Ag) > or = 30% 20-29.9% <20% 5.1%

Wasting (<-2 Z-score Wt/Ag) 10- 14.9% 5-9.9% <5% 4.6%

Underweight (<-2 Z-score Wt/Ht) > or = 20% 10-19.9% <10% 3.72%

⁶ PCBS, UNICEF, UNFPA. 2011, Palestinian Family Survey, 2010

⁷ National Nutrition Surveillance System, 2011 Report, Palestinian National Authority, Ministry of Health, Primary Health Care & Public Health General Directorate, Nutrition Department

Purpose of Extension and Budget Increase

13. This budget increase and extension-in-time will allow WFP to continue interventions for an additional six months to support 285,000 beneficiaries, while providing sufficient time for the preparation of a new protracted relief and recovery operation (PRRO) that will cover activities in the West Bank and in the Gaza Strip, and which will be aligned with the new United Nations Development Assistance Framework (UNDAF), the Palestinian Authority National Development Plan (2014-2016) and the updated Social Protection Sector Strategy (2014-2016).
14. Activities in the EMOP extension will continue as follows (see table 1 below):
 - 170,000 beneficiaries to be assisted under the GFA-food component implemented in partnership with MoSA and Global Communities;
 - 50,000 beneficiaries to be assisted under the GFA-voucher component in partnership with Oxfam GB;
 - 10,000 beneficiaries to be assisted under the combined in-kind/voucher pilot project in partnership with Oxfam GB and Global Communities; and,
 - 7,000 beneficiaries targeted through the support to institutions activity and 80,000 through school feeding.

TABLE 1: BENEFICIARIES BY ACTIVITY				
Activity	Category of beneficiaries	Current	Increase	Revised
General food assistance (GFA-Food)	food-insecure beneficiaries	170,000	0	170,000
General food assistance (GFA-voucher)	food-insecure beneficiaries	50,000	0	50,000
Combined in-kind/voucher	food-insecure beneficiaries	10,000		10,000
Support to institutions	food-insecure beneficiaries	7,000	0	7,000
School feeding	schoolchildren in non-refugee public primary schools	80,000	0	80,000
Total beneficiaries excluding overlap *		285,000	0	285,000

*It is estimated that approximately 40 percent of school feeding beneficiaries (about 32,000 schoolchildren) are also beneficiaries of GFA-food, value-based voucher or combined in-kind/voucher modalities. To avoid beneficiary double-counting, this overlap is taken into consideration in calculating the total beneficiary number.

15. The number of beneficiaries per activity will be maintained under the extension period, focusing on the most food insecure households.
16. The beneficiaries assisted through GFA-food, GFA-voucher and combined in-kind/voucher modalities will continue to be selected using the national proxy means testing formula and food consumption score. WFP and partners will continue monitoring the eligibility of beneficiaries during the implementation period of the project.
17. A new cycle of the “Nutrition Awareness Campaign” is scheduled for 2014 targeting 1,000 female voucher beneficiaries. The programme is still in its pilot stage and will be assessed for potential changes or scale-up, starting from mid-2014 onwards.
18. The food ration provides beneficiaries with the required macro- and micronutrients, in line with WFP’s nutritional guidelines and Palestinian eating habits. GFA-food beneficiaries will receive a food ration of fortified wheat flour, pulses, vitamin A and D fortified vegetable oil, iodized salt and sugar, covering around 60 percent of daily caloric needs. Wheat flour is

fortified according to the Palestinian Authority standards with a premix containing vitamin B complex, folic acid, zinc, iron, and vitamins A and D.

19. WFP will continue to be an active player in the inter-agency and inter-cluster coordination groups. In addition, WFP will continue leading the food security sector in Palestine with the Food and Agriculture Organization of the United Nations (FAO).
20. The food ration in 2014 will remain the same as in 2013 for all activities with the exception of the GFA-voucher value, which has been increased to US\$12.5 to bring the voucher value in line with the value of the GFA-food basket ration.

TABLE 2: DAILY FOOD RATION/ TRANSFER BY ACTIVITY (person/day)					
Commodity Type/ Cash & voucher	GFA-food (g)	Support to institutions (g)	School feeding (g)	GFA-voucher (US\$)	Combined food/voucher
Cereals (fortified wheat flour)	422	422			422
Pulses (chickpeas)	23	23			
Vegetable oil	30	30			
Iodized salt	6	6			
Sugar	25	25			
Date bars (fortified)		60	60		
Cash/voucher				US\$12.5	US\$9
Total Food(g) / Voucher (US\$)	506	566	60	US\$12.5	US\$9
<i>Total kcal/day</i>	<i>1 926</i>	<i>2 184</i>	<i>258</i>		<i>1 926</i>
% Kcal from protein	11%	15.8%	4.8%		11%
% Kcal from fat	17.6%	24.8%	7.2%		17.6%
Number of feeding days per year	365	365	173	365	365

FOOD REQUIREMENTS

21. The additional and total food quantity and value-based voucher requirements needed for achieving the revised operation are set out in Table 3:

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY				
		Food requirements (mt) Cash/voucher (US\$)		
Activity	Commodity (mt) / voucher (US\$)	Current Jan 2012 – Dec 2013	Increase Jan 2014-June 2014	Revised total
General food assistance	Commodity	71,261	16,245	87,506
	Voucher (US\$)	12,872,333	4,710,000	17,582,333
Support to institutions	Commodity	2,897	713	3,610
School feeding	Commodity	1,660	360	2,020
Contingency Stock	Commodity	2,537	0	2,537

Hazard / Risk Assessment and Preparedness Planning

22. Risks that may negatively impact WFP's operations, and which are addressed through WFP's minimum preparedness actions, include:
- Deterioration/instability of security and the political situation in the Gaza Strip;
 - A sharp increase in food and fuel prices and further tightening of the Israeli blockade on Gaza;
 - Escalation of the Egyptian crisis in Sinai with consequent permanent closure of the tunnels;
 - Overall paralysis of the Palestinian authority institutions due to the lack of international assistance; and
 - Occurrence of natural disaster.
23. WFP regularly updates its internal risk register and its Emergency Preparedness and Response Plan, incorporating the worst-case scenarios for identified risks. It develops planning assumptions with response plans, and risk management and mitigation schemes, including a food commodity contingency stock. WFP also works through the United Nations Country Team and the Food Security Sector to constantly monitor, analyze and control risks associated with its operations.

Approved by:

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Date:

Date:

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>	-	-	
Cereals	14,205	5,913,826	
Pulses	733	383,359	
Oil and fats	956	1,094,620	
Mixed and blended food	436	719,400	
Others	988	466,821	
Total Food Transfers	17,318	8,578,026	
External Transport		285,094	
LTSH		2,331,457	
ODOC Food		(420,522)	
Food and Related Costs ⁸		-	10,774,054
C&V Transfers		4,554,000	
C&V Related costs		480,000	
Cash and Vouchers and Related Costs		-	5,034,000
Capacity Development & Augmentation		-	220,000
<i>Direct Operational Costs</i>			16,028,054
Direct support costs (see Annex I-B)			2,029,840
Total Direct Project Costs			18,057,894
Indirect support costs (7,0 percent) ⁹			1,264,053
TOTAL WFP COSTS¹⁰			19,321,947

⁸ This is a notional food basket for budgeting and approval. The contents may vary.

⁹ The indirect support cost rate may be amended by the Board during the project.

¹⁰ Totals rounded off to the nearest decimal point.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
WFP Staff and Staff-Related	
Professional staff *	610,290
General service staff **	891,250
Danger pay and local allowances	-
Subtotal	1,501,540
Recurring and Other	240,000
Capital Equipment	80,000
Security	50,000
Travel and transportation	135,800
Assessments, Evaluations and Monitoring¹	22,500
TOTAL DIRECT SUPPORT COSTS	2,029,840

* 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

¹ 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.

ANNEX II: LOGICAL FRAMEWORK

CROSS-CUTTING RESULTS AND INDICATORS:

GENDER: Gender equality and empowerment improved; **INDICATOR:** Number of women/men in leadership positions of project management committees

PROTECTION: WFP assistance delivered and used in safe, accountable and dignified conditions; **INDICATORS:** Proportion of assisted people reporting having had safety problems travelling to/from or at WFP programme sites

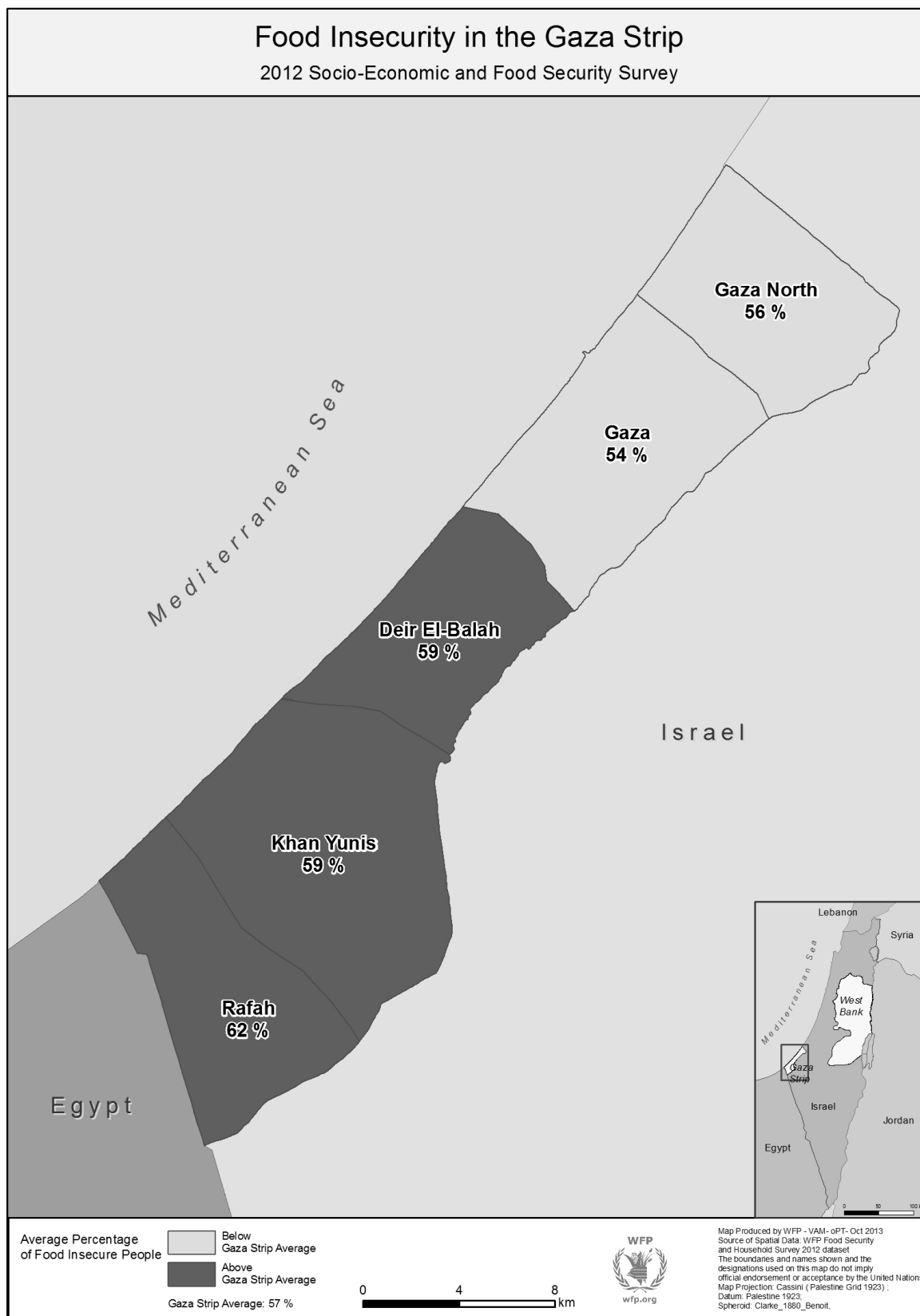
PARTNERSHIP: Food assistance interventions coordinated and partnerships developed; **INDICATORS:** Number of United Nations agencies/international organizations providing complementary inputs and services

Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
Strategic Objective 1: Save lives and protect livelihoods in emergencies Goals: 1: Meet urgent food and nutrition needs of vulnerable people and communities and reduce undernutrition to below emergency levels Components: GFA in Gaza Strip (food, vouchers or combination of food and vouchers), and School Feeding		
Outcome 1.1 Stabilized or improved food consumption for target households over assistance period	1.1.A Food consumption score Target: 100% of targeted households have at least borderline consumption 1.1.B Daily average dietary diversity Target: 100% of targeted households consume at least 3 food groups on average per day	Political and security environments improve Beneficiaries will use cash saved from food/voucher assistance to buy other complementary, nutritious food items to supplement their diet
Output 1.1.1 Food, nutritional products and vouchers distributed in sufficient quantity, quality and in a timely manner to targeted households	1.1.1.a Number of beneficiaries receiving assistance, as % of planned (disaggregated by activity; by women, men, girls, boys) Target: ¹² GFA beneficiaries: 237,000 1.1.1.b Quantity of food assistance distributed, as % of planned distribution (disaggregated by type) Target: 16,956 MT 1.1.1.c Total value of vouchers distributed (expressed in food/cash)	Target population participates in identification, planning, implementation and maintenance of project activities Appropriate partners are selected for implementation Partners' commitments are honored Access to distribution points is secured No pipeline breaks occur WFP and partners respect field-level agreements to enable programme to function smoothly WFP partners have adequate human resources capacity for planning, monitoring and accountability of the project Food items are readily available in shops upon presentation of vouchers

¹² The breakdown of beneficiaries by sex is highlighted in Table 1.

	Target: US\$ 4,284,000	Security incidents do not affect shopkeepers or beneficiaries directly Staple food prices remain stable Fuel prices remain stable
Outcome 1.2 Restored or stabilized access to basic services	1.2. A Retention rate for boys and girls Target: 90% retention of enrolled boys and girls	Political and security environments improve Budget allocations to basic education are adequate and timely.
Output 1.2.1 Food, and nutritional products distributed in sufficient quantity, quality and in a timely manner to targeted children	1.2.1.a Number of beneficiaries (children) receiving assistance, as % of planned (disaggregated by girls & boys) Target: 80,000 children	WFP and partners respect field-level agreements to enable programme to function smoothly WFP partners have adequate human resources capacity for planning, monitoring and accountability of the project No Pipeline breaks Schools keep functioning properly.
Strategic Objective 3: Reduce risk and enable people, communities and countries to meet their own food and nutrition needs Goals: 2: Leverage purchasing power to connect smallholder farmers to markets, reduce post-harvest losses, support economic empowerment of women and men and transform food assistance into a productive investment in local communities Component: Support local economy using WFP's purchasing power to expand domestic production and support local supply chains		
Outcome 3.1 Increased marketing opportunities at regional, national and local levels	3.1.A Food purchased from regional, national and local suppliers, as % of food distributed 17,316 MT 3.1.B Fortified food purchased from national and local suppliers, as % of fortified food distributed by WFP in-country Target: 3,742 MT	Competitive prices prevail at regional and national levels
Output 3.1.1 Increased WFP food purchase from national and local markets	3.1.1.a Quantity of food purchased locally (mt) Target: 3,742 MT	Food is available locally in sufficient quantity and quality

MAP



ACRONYMS USED IN THE DOCUMENT

DSC	DIRECT SUPPORT COSTS
EMOP	EMERGENCY OPERATION
FAO	FOOD AND AGRICULTURE ORGANIZATION
FCS	FOOD CONSUMPTION SCORE
GFA-FOOD	GENERAL FOOD ASSISTANCE USING FOOD PARCELS (IN-KIND)
GDP	GROSS DOMESTIC PRODUCT
ISC	INDIRECT SUPPORT COSTS
LTSH	LANDSIDE TRANSPORT, STORAGE AND HANDLING
MoSA	MINISTRY OF SOCIAL AFFAIRS
MoE	MINISTRY OF EDUCATION AND HIGHER EDUCATION
Mt	METRIC TON
NIS	NEW ISRAELI SHEKEL
ODOC	OTHER DIRECT OPERATIONAL COST
oPt	OCCUPIED PALESTINIAN TERRITORY
OXFAM GB	OXFAM (GREAT BRITAIN)
UN	UNITED NATIONS
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNICEF	UNITED NATIONS CHILDREN’S FUND
UNRWA	UNITED NATIONS RELIEF AND WORKS AGENCY
US\$	UNITED STATES DOLLAR
WFP	WORLD FOOD PROGRAMME