

**BUDGET INCREASE TO EMERGENCY OPERATION
- SYRIA 200339 (BUDGET REVISION 1)**

Emergency food assistance to people affected by unrest in Syria

Cost (United States dollars)

	Current budget	Increase	Revised budget
Food cost	1 369 498	4 956 321	6 325 819
Voucher cost	-	982 800	982 800
External transport	83 761	269 266	353 027
LTSH	144 277	544 434	688 711
ODOC	56 135	302 099	358 234
DSC	213 040	330 981	544 021
ISC (7.0 percent)	130 670	517 013	647 683
Total cost to WFP	1 997 380	7 902 914	9 900 294

NATURE OF THE INCREASE

1. This budget revision to emergency operation (EMOP) 200339 envisages the following:
 - Extension-in-time for six months, from 1 January to 30 June 2012.
 - Increase in number of beneficiaries from 50,000 to 100,000 from January 2012.
 - Revision in the food basket of the in-kind assistance component.
 - Introduction of voucher transfers to assist 10 percent of the total beneficiaries, targeting those in the urban and peri-urban areas of Damascus and other governorates, with a total value of US\$983,000.
 - An increase in commodities of 6,604 mt (US\$5 million).
 - Additional external transport and landside transport, storage and handling (LTSH) for the increased tonnage (US\$544,000).
 - Associated additional direct support costs (DSC) and other direct operational costs (ODOC) valued at US\$635,000.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

2. EMOP 200339 “Emergency food assistance to people affected by unrest in Syria” is a follow-up to the immediate response emergency operation (IR-EMOP) 200279 that started in May 2011. The EMOP was planned as a three-month intervention (October-December 2011) to meet the humanitarian requirements emerging from the uprising that has been affecting

Syria since mid-March 2011. The EMOP aims to reach people in vulnerable households affected by the unrest and prolonged military sieges, whose food security has been adversely affected. Assistance is through distribution of a food ration that covers 70 percent of daily energy requirements, as the affected population does have some access to other food sources.

3. Beneficiary identification is on-going; however, there are indications that the number of vulnerable people will exceed the previous planning figure of 50,000 beneficiaries. Selection of beneficiaries is based on the following pre-defined targeting criteria, which were agreed upon between WFP and its implementing partner, the Syrian Arab Red Crescent (SARC):
 - households staying in their location who have lost main source of income
 - displaced households
 - households hosting a displaced family
 - households headed by women
 - unaccompanied children
4. The first dispatches of food of pre-packaged food rations arrived in Homs, Idleb, Dara'a, Hama, Deir Ezzor and rural Damascus in early December, and distributions started shortly after. The target locations are selected based on information received from various sources, including SARC, other United Nations agencies, non-governmental organization partners and the media.
5. WFP is coordinating food security and livelihood information and operational planning with other agencies, including the International Committee of the Red Cross and the Office of the United Nations High Commissioner for Refugees, which are also providing ad-hoc food assistance through SARC and have access to the affected areas.
6. The EMOP is aligned WFP's Strategic Objective 1 – "Save lives and protect livelihoods in emergencies" and is contributing to the achievement of Millennium Development Goal 1 – "Eradicate extreme poverty and hunger".

Conclusion and Recommendations of the Re-Assessment

7. The security situation remains tense and volatile, with increasing violence and armed resistance leading to more casualties. To date, the number of casualties has surpassed 5,000 people, including 1,000 security personnel.¹ Protests continue to spread to more areas of the country, affecting cities and the rural areas of Aleppo, Deir-Ezzor, Idleb, Hama, Homs, Qamishly and Tartous, as well as suburban Damascus. Homs and Idleb have been particularly affected, with continued military action and sieges. In a statement issued by the International Committee of the Red Cross on 8 December 2011, the Syria crisis has been categorized as an 'extremely serious humanitarian situation'.²
8. As a result of continuing instability and the deterioration of security conditions, many of the principle wage-earners for households have not been able to work. Access to livelihoods and basic necessities - including food, water, electricity and medical supplies - is becoming increasingly difficult.
9. Agriculture is the dominant livelihood in the affected areas,³ and Damascus and other main industrial cities in the northern part of the country also depend on food supplies from these areas. The economic challenges faced by Syria are being compounded by recent sanctions and bilateral trade freezes by many countries.

¹ Estimate from the Office of the High Commissioner for Human Rights, November 2011.

² International Committee of the Red Cross has nearly tripled its budget for Syria for 2012, expecting operations to expand due to the ongoing unrest.

³ WFP, 2010, *Emergency food security and nutrition assessment*. Findings have been extrapolated based on agro ecological zones classification.

10. WFP and United Nations agencies are attempting to undertake an emergency needs assessment in affected areas; however, so far the Government of Syria has not granted permission. As proxy indicators, WFP has used the monitoring findings from the implementation of IR-EMOP 200279 as a basis for developing the targeting criteria and determining the revised food basket for this operation.⁴
11. The findings conclude that many families living in affected areas have lost their sources of income and access to food due to reasons that include: principal wage earners either arrested or killed; loss of livelihoods for farmers unable to cultivate or harvest; loss of jobs for casual labourers; and loss or depletion in remittances from countries of the Persian Gulf.
12. Households that were already vulnerable to food insecurity (i.e. the elderly, widows, orphans, divorced women without wage earners, absence of wage earners, and disabled people) are significantly affected and have become even more food insecure. The most common coping strategy to survive during times of crisis is the consumption of food reserves, when available. Families without wage earners or reserves mainly depend on contributions from charities.
13. WFP monitoring findings further suggest that food availability is being affected by the prolonged unrest. During upheavals, markets and shops, which are the main source of food for most families, are closed or open only for short periods, and prices in all visited governorates and villages have increased by at least 10-20 percent.
14. Given the relatively small percentage of urban and peri-urban population in need of food assistance, general food distributions are not practical: they may create potential tensions among targeted and non-targeted populations, risking the safety and security of beneficiaries and WFP staff alike, and during bouts of military actions these zones are inaccessible for WFP's trucks.

Purpose of Extension and Budget Increase

15. The extension-in-time from 1 January to 30 June 2012 is needed to continue to meet increasing humanitarian needs, specifically for emergency food assistance to the most vulnerable population affected by prolonged unrest in Syria.
16. This budget revision introduces three changes in WFP's response: (i) increase in the number of targeted beneficiaries; (ii) inclusion of a voucher modality in the urban and peri-urban areas (initially 10 percent of total targeted beneficiaries); and (iii) slight modification of the food basket, reflecting consultations with beneficiaries and implementing partners.
17. Beneficiary numbers have been estimated based on two considerations: (i) the existing population targeted under IR-EMOP 200279; and (ii) additional vulnerable people identified who meet the eligibility criteria, based on information received through SARC and other partners. This includes people living in new areas of conflict.
18. The majority of the beneficiaries residing in rural areas (90,000) will continue to receive in-kind contributions, as foreseen in the original EMOP. Beneficiaries living in urban and peri-urban areas of Damascus, Tartous and other governorates (initially 10,000 people) will be assisted through a voucher transfer.
19. SARC, in coordination with WFP, will identify beneficiaries for the voucher transfers in the selected geographic locations using the same targeting criteria as for the in-kind food distribution. Each head of household will receive a voucher detailing their name, family size and monetary value. At participating shops, on presentation of the voucher and an identity card, beneficiaries will be able to exchange these vouchers with their preferred food items and in required quantities.

⁴ WFP, 2011, *Draft - Monitoring Summary IR-EMOP 200279*.

20. The monetary value of the voucher will be approximately 800 Syrian Pounds (equivalent to approximately US\$16)⁵ per month per person. The voucher value equates to the current market value of the revised food basket at the General Establishment for Storage and Marketing of Agricultural and Animal Products (GESMAAP) shops,⁶ factoring in an additional 10 percent to allow for potential increase in food prices, in view of the current volatility.
21. The voucher system will be implemented through WFP's current electronic voucher system implementing partner GESMAAP,⁷ with the possibility to cooperate with other entities whenever feasible. According to their current capacity, GESMAAP shops in target areas will have sufficient stocks to meet the temporary and urgent need of residents, including targeted beneficiaries. Moreover, during times of crisis, GESMAAP shops have shown flexibility and responsibility to keep their shops opened, even for limited hours per day.
22. The voucher system will primarily be based on paper vouchers, due to the increasing interruptions of communication networks and electricity supply during the crisis. The electronic database will be maintained to allow for reversion to the electronic mode when feasible.
23. While the GESMAAP shops have continued to meet WFP's requirements and are expected to remain functional under the current situation, mobile shops will be considered in case of difficulties. Should the situation deteriorate to the extent that neither fixed nor mobile shops can function, the voucher system will be suspended and replaced by in-kind food assistance.
24. Memoranda of understanding will be signed with SARC and GESMAAP detailing the obligations of each party. Under the agreement, GESMAAP will offer WFP a monthly fixed price for the list of food items on a credit basis, claiming financial payments based on actual food quantities redeemed by beneficiaries per month.
25. The general food basket is revised based on the beneficiary feedback, with adjustments in the cereal composition and now includes pasta and salt. The revised basket will cover 74 percent of daily energy requirement per person per day, reflecting the access of the targeted population to some food sources, and may be revised again based on a new assessment.

TABLE 1. BENEFICIARIES BY ACTIVITY			
Activity	Current	Increase	Revised
General Food Distribution (In-Kind)	50,000	40,000	90,000
General Food Distribution (Vouchers)	0	10,000	10,000
Total	50,000	50,000	100,000

⁵ Exchange rate of Syrian Pounds to United States dollar has been fluctuating in response to political and economic situation in country and effect of being imposed sanctions.

⁶ A Syrian Ministry of Economy and Trade body.

⁷ The voucher system proposed in this EMOP draws on lessons learned from the electronic voucher system used for assisting Iraqi refugees in Syria under EMOP 200040, where it has proven to be a very efficient modality for areas inaccessible for United Nations and WFP trucks or staff. This is because it can be managed remotely in an 'off-line' mode, ensuring beneficiaries continue to receive their entitlements with no interruption and with transactions registered at the shops and recorded/reconciled later on the main WFP server when connectivity resumes.

TABLE 2: REVISED DAILY FOOD RATION AND VOUCHER VALUE (g/person/day unless otherwise indicated)		
	Current	Revised
Rice	150	100
Bulgur	100	66
Pasta	0	100
Pulses	47	33
Oil	33	33
Sugar	17	33
Iodized Salt	0	5
Canned Meat	33	33
Total in-kind	380	403
Total voucher value (US\$/person/month)	Not applicable	US\$16
<i>Total kcal/day</i>	<i>1,494</i>	<i>1,556</i>
<i>% Kcal from protein</i>	<i>10.0%</i>	<i>10.2%</i>
<i>% Kcal from fat</i>	<i>25.9%</i>	<i>25.0%</i>

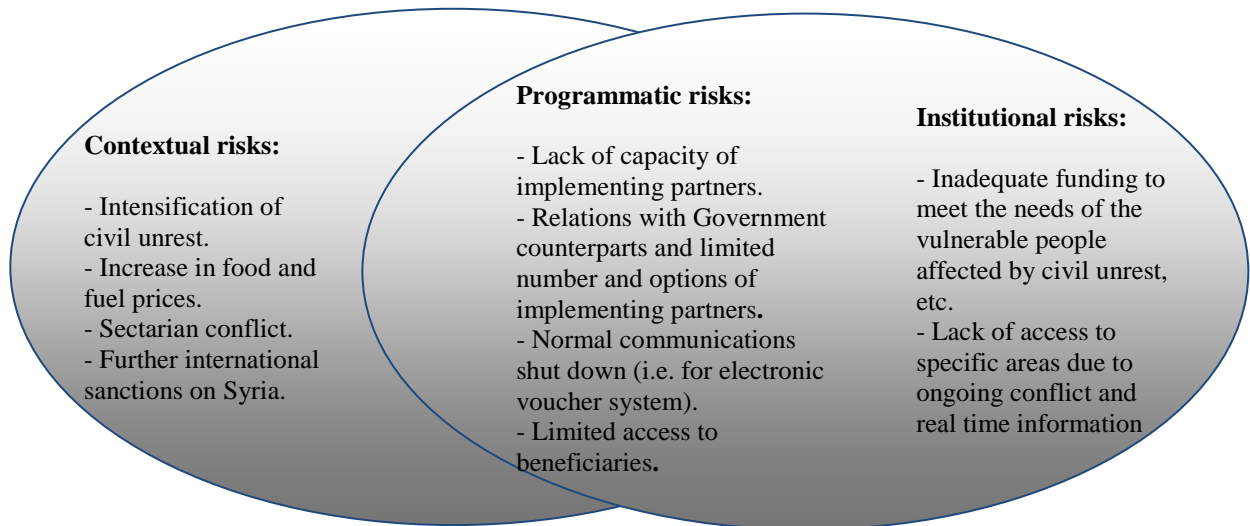
REQUIREMENTS

26. The proposed budget revision will require an additional food and vouchers cost of US\$5.9 million, with a total cost of US\$7.9 million. This will bring the total cost of the EMOP to US\$9.9 million (see Table 3 and Annex 1-A).

TABLE 3. FOOD/CASH & VOUCHER REQUIREMENTS BY ACTIVITY TYPE				
Activity	Commodity/Voucher	Food requirements (mt)/ voucher (US\$)		
		Current	Increase	Revised total
General Food Distribution	Commodity	1,750 mt	6,604 mt	8,354 mt
General Food Distribution	Voucher	0	US\$982,800	US\$ 982,800

Hazard / Risk Assessment and Preparedness Planning

27. The EMOP is subject to a number of contextual, programmatic and institutional risks for which mitigation measures are being taken. The main risks identified are presented in the chart below.



Contextual Risks:

28. With more international and regional sanctions, continued vigorous crackdown on protestors, sectarian conflict and serious interruption of public services, the risk of the current unrest developing into a civil war is considered a significant risk.
29. The effect of sanctions, insecurity and the deterioration of the economy will limit imports, including food and fuel, increasing the risk of further disturbances. Difficulties in commercial imports and limited movement of both people and goods is reducing food availability and increasing prices in the commercial market. This could lead to further impacts on population and local market capacity, increasing the number of people requiring food assistance. Delivery of basic services is increasingly affected by the crisis, with further disruptions foreseen if sanctions spread.
30. WFP and United Nations counterparts are engaged in contingency planning that is being used to define the United Nations' strategy for a possible scaling-up of humanitarian assistance in the event of a further deterioration.

Programmatic Risks:

31. Working with the Government and line ministries has become more challenging for WFP and other United Nations agencies in the current insecure environment. WFP will continue to strengthen dialogue with government counterparts at national and governorate level in order to maintain its presence on the ground and implement its activities. WFP will continue requesting the Government to grant access to the affected areas and advocating for the urgent needs of civilians affected by this crisis in all areas. In areas with active conflict, where access of United Nations agencies is problematic, WFP will continue its cooperation with SARC: this approach has so far allowed WFP food assistance to reach all such areas.
32. To ensure continued assistance to beneficiaries in the event of further deterioration in the security, WFP has prepositioned food stocks in some governorates. Similarly, WFP is strengthening the capacity of its national staff and the main government counterparts. The capacity of SARC varies between one branch and another (governorate-levels), especially in

leadership and staffing, making beneficiary identification and food distribution efforts more challenging.

- 33. In the event of a serious deterioration of the conflict, the United Nations may need to reduce the number of international staff in Syria. WFP is therefore developing plans for staff to be able to telecommute where possible. WFP is also strengthening the capacity of its national staff and main counterparts to manage programme implementation.

Institutional Risks

- 34. Although the Syrian crisis is leading to increased vulnerability to food insecurity, the international focus is mainly on the political and security situation. Resource mobilization for humanitarian needs will therefore remain a challenge, particularly in view of the constraints for assessment information. Through WFP’s food security cluster co-leadership and through relevant donor appeal processes and advocacy activities at country office, regional bureau and headquarters levels, WFP will continue to draw the attention of the international community to the humanitarian funding requirements in Syria.
- 35. Considering the current insecurity, difficulty in acquiring information of the situation on the ground, and emerging threats from the unrest moving from civil unrest to armed conflict, the risk of WFP staff and facilities is significant. The WFP Syria security unit will be involved in security assessment missions in coordination with the United Nations Department of Safety and Security (UNDSS) prior to deployment of WFP staff. Currently, WFP infrastructure is not fully compliant with United Nations minimum operating security standards, and the identified gaps are being addressed. Security regulations concerning staff movement are fully compliant with UNDSS rules. The communication system currently in place needs some improvements to properly respond to the new operational needs. In the case of relocation, new WFP offices may require upgrades in order to be fully compliant with standards and the office layouts would need to be appropriate to respond to the new threats.

RECOMMENDATION

- 36. The proposed budget revision with an extension in time and an additional commitment of food, resulting in the revised budget for Syria EMOP 200339 is recommended for approval by the Executive Director and the Director-General of FAO.

APPROVAL

 Josette Sheeran
 Executive Director
 United Nations World Food Programme

 José Graziano da Silva
 Director-General
 Food and Agriculture Organization of
 the United Nations

Date:

Date:

BUDGET INCREASE COST BREAKDOWN			
Food⁸	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	4,358	2,246,020	
Pulses	541	411,160	
Oil and fats	541	803,385	
Meat	541	1,104,181	
Others	623	391,575	
Total food	6,604	4,956,321	
Cash transfers		-	
Voucher transfers		982,800	
Subtotal food and transfers			5,939,121
External transport			269,266
Landside transport, storage and handling			544,434
Other direct operational costs			302,099
Direct support costs ⁹ (see Annex I-B)			330,981
Total WFP direct costs			7,385,901
Indirect support costs (7.0 percent) ¹⁰			517,013
TOTAL WFP COSTS			7,902,914

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

⁹ Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

¹⁰ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff-related costs	
International professional staff	50,622
International general service staff	-
Local staff - national officers	9,055
Local staff - general service	69,496
Local staff - temporary assistance	104,281
Local staff - overtime	-
Hazard pay and hardship allowance	-
International consultants	2,782
Local consultants	-
United Nations volunteers	-
Commercial consultancy services	-
Staff duty travel	47,475
Subtotal	283,711
Recurring expenses	
Rental of facility	5,204
Utilities	1,660
Office supplies and other consumables	797
Communications services	2,324
Equipment repair and maintenance	100
Vehicle running costs and maintenance	3,375
Office set-up and repairs	610
United Nations organization services	-
Subtotal	14,070
Equipment and capital costs	
Vehicle leasing	7,650
Communications equipment	16,500
Local security costs	9,050
Subtotal	33,200
TOTAL DIRECT SUPPORT COSTS	330,981

ANNEX II Logical Framework

EMOP 200339 EMERGENCY FOOD ASSISTANCE TO PEOPLE AFFECTED BY UNREST IN SYRIA

Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
<p>WFP STRATEGIC OBJECTIVE 1: Save lives and protect livelihoods in emergencies</p> <p>EMOP Objective: To reach vulnerable households whose food and nutrition security has been adversely affected by the civil unrest</p>		
<p>Outcome Improved food consumption over assistance period for targeted emergency-affected households.</p>	<p>Outcome indicator: Household food consumption score.</p> <p>Means of verification: Evaluation data on beneficiary food consumption, beneficiary contact monitoring, local market price survey.</p>	<ul style="list-style-type: none"> ➤ Access to quality basic services (especially drinking water) provided by Government. ➤ Civil unrest impeding access to food. ➤ Negative impact of internationally imposed sanctions, causing shortage of food in the local market increasing cost of fuel prices, further cut of subsidies, etc.).
<p>Output Food and vouchers distributed in sufficient quantity and quality to target groups of women, men, girls and boys under secure conditions.</p>	<p>Output indicators:</p> <ul style="list-style-type: none"> ➤ Number of women, men, girls and boys receiving food and vouchers, by category and transfer modality and as percentage of planned. ➤ Tonnage of food distributed, by type, as percentage of planned distribution. ➤ Total cash equivalent of vouchers distributed. <p>Means of verification: Programme monitoring data through food aid monitors and implementing partner.</p>	<ul style="list-style-type: none"> ➤ Difficulty in assessing the needs due to lack of access to affected populations. ➤ Port clearance procedure on imported food might be tightened. ➤ Complete food basket not available on time in terms of quantity and kind. ➤ Continuous supply, transport and distribution of predetermined commodities by the implementing partner ➤ Voucher commodities available at all times in GESMAAP.



ANNEX III – MAP

