

**BUDGET INCREASE TO EMERGENCY OPERATION
SYRIA 200339 BUDGET REVISION 3**

Emergency food assistance to people affected by unrest in Syria

	Current budget	Increase/ Decrease	Revised budget
Food cost	12,373,213	12,623,932	24,997,144
Voucher cost	982,800	-982,800	0
External transport	478,035	1,575,786	2,053,821
LTSH	1,293,573	1,451,884	2,745,458
ODOC	631,273	490,888	1,122,161
DSC	2,353,456	1,676,465	4,029,922
ISC (7.0 percent)	1,267,864	1,178,531	2,446,395
Total cost to WFP	19,380,214	18,014,686	37,394,901

NATURE OF THE INCREASE

1. This budget revision to emergency operation 200339 responds to the increasing emergency food needs as a result of unrest in Syria. The revision will allow WFP to increase the number of beneficiaries from 100,000 to 250,000 to the end of 2012.
2. Specifically, the budget revision will:
 - Increase commodities by 17,272 mt at a food cost of US\$12.6 million. This includes the addition of high-energy biscuits (200 mt) to the food basket.
 - Increase the land transport, storage and handling (LTSH) budget based on a revised LTSH matrix, with the new rate of US\$84.06/mt.
 - Include capacity-development for the Syrian Arab Red Crescent (SARC), for training of volunteers and incentives for distribution staff.
 - Suspend the voucher component, as the current security context in Syria makes it extremely challenging to implement.
3. The budget revision will increase the overall budget by US\$18 million to a revised total for the EMOP of US\$37 million.

JUSTIFICATION FOR BUDGET INCREASE

Summary of Existing Project Activities

4. Emergency operation (EMOP) 200339 “Emergency food assistance to people affected by unrest in Syria” was initially planned as a three-month intervention from October to December 2011. It was originally designed to meet the immediate food requirements of 50,000 people living in areas affected by the civil unrest in Syria that began in March 2011, in the wake of the Arab Spring. WFP’s assistance has been through distribution of a food ration covering 74 percent of daily energy requirements, on the basis that the affected population is able to access other food sources to complement the ration.
5. A first budget revision to the EMOP was extended in time, from January to June 2012 and revised to increase the beneficiaries from 50,000 to 100,000 in response to higher humanitarian requirements as a consequence of deteriorating conditions. The EMOP budget included provision for food transfers for 90,000 people and voucher transfers for 10,000 people in selected urban and peri-urban households. In January 2012, SARC distributed 61,000 of the planned 90,000 food rations; this increased to 87,500 people in February and reached 110,000 in March.
6. A second budget revision extended the EMOP in time from July to December 2012, as the security situation continued to deteriorate. The second budget revision has also enabled WFP to pre-position food commodities. As the voucher component had not been implemented due to deteriorating security conditions, the second budget revision did not include voucher transfers for July-December, with only in-kind food distribution planned for this period.

Conclusion and Recommendations of the Re-Assessment

7. The Syrian Government accepted the Joint United Nations – League of Arab States Special Envoy Kofi Annan’s “six-point peace plan”. On 21 April, United Nations Security Council unanimously adopted a second Resolution authorizing the deployment of the United Nations Supervisory Mission in Syria (UNSMIS) to monitor the ceasefire for initially 90 days.
8. However, unrest continues in some parts of the country, with high numbers of fatalities and casualties reported. Damage to infrastructure has also occurred, including public buildings, schools, water sources, electricity supplies and the transportation network. The unrest is increasingly affecting all aspects of life in Syria.
9. The Director of SARC announced on 2 April 2012 that 400,000 people have been displaced as a result of insecurity, most of whom have moved to different locations within Syria. A third of the highly affected, food-insecure people have become internally displaced persons (IDPs) while two-thirds are still resident in their home areas. Over 40,000 people are also reported to have crossed the border into neighbouring countries: Turkey, Lebanon, Jordan and Iraq.
10. There are substantial humanitarian needs in many areas of Syria as a result of the unrest. The Government of Syria led a United Nations assessment mission from 18-26 March 2012 in which WFP participated. The assessment covered the highly affected governorates to evaluate the humanitarian situation and confirm the scale of requirements. Endorsement of the assessment’s findings is awaited and details of the conclusions and the response plan are still under discussion. However, it is apparent that vulnerability to food insecurity has increased dramatically in areas highly affected by civil unrest. The assessment examined the

livelihood crisis that is developing as a result of the civil unrest. Both resident and IDP families are affected. Relocated families are from a range of wealth groups; they usually have no means of livelihood in areas they have moved to. For some people, their departure was completely unforeseen, moving with only the clothes they were wearing. Areas from which high numbers of people have moved include the cities of Homs, Hama and Idleb. Most of the displaced people settled in other governorates, such as Tartous, Rural Damascus, Damascus, Lattakia and Aleppo. Some people relocated in safer areas within the same governorate. Hama and Homs provinces currently host many IDPs from “hotspots” in cities or neighbourhoods. The initial findings from the assessment suggest the need to increase the outreach of WFP-SARC activities.

11. Poverty is increasing and access to basic supplies and services is deteriorating. Since May 2011, the prices of most essential items, especially food and fuel, have risen by 50 percent and the Syrian Pound has devalued by around 50 percent against international currencies.¹ There has been a steep decline in economic activity as a result of international sanctions and the instability in many areas of the country. Incidents of insecurity that affect transport routes, business activities and agriculture are contributing to rising unemployment. WFP has established a food security monitoring system that aims to capture key food security indicators regularly, despite the limitations to access some of the highly affected areas.
12. Staple foods are still available in all governorates, although shop closures and shortages of imported commodities, such as milk powder, are reported in some areas.
13. The EMOP does not cover the needs of third country nationals, such as Palestinian and Iraqi refugees who are currently assisted by the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The situation of refugees in the country is currently regarded as precarious.

Purpose of Extension and Budget Increase

14. This budget revision reflects the worsening situation and a request from SARC to increase the number of beneficiaries to 250,000.² WFP has defined four broad categories for targeting: (i) people surviving in or near areas subject to unrest; (ii) relocated populations (IDPs); (iii) communities hosting large numbers of relocated people; and (iv) the poor and vulnerable affected by general economic deterioration (urban and rural).
15. WFP is currently working in eleven of the fourteen governorates: Damascus, Rural Damascus, Dara'a, Homs, Hama, Idleb, Aleppo, Tartous, Lattakia, DeirEzzor and Al-Hasakeh. Most areas are accessible for food movement, but the “no go” areas for United Nations staff for monitoring distributions include much of Homs, Hama and Idleb, as well as parts of DeirEzzor, Rural Damascus, Aleppo and Dara'a. All governorates have been accommodating families who moved away from unrest.
16. Modalities of the operation, including the overall ration size and the food basket, will remain the same.³ Bread is the main staple food in Syria and is still widely available at low cost.

¹ The exchange rate for the Syrian Pound against the United States dollar has deteriorated from SYP 47: US\$1 in May 2011 to SYP 76: US\$1 in April 2012.

² While this budget revision was under consideration and processing, and after the relevant Programme Review Committee, SARC formally requested WFP to increase the coverage to 500,000. This request is presently under discussion as it may force changes in the distribution modalities with potential impact on the type of commodities and staffing requirements.

³ The food basket consists of cereals, pulses, canned meat, vegetable oil, sugar, iodized salt.

The food basket therefore includes other cereals and cereal products which are less available than wheat (rice, bulgur and pasta).

17. SARC has requested that all food assistance should be in-kind for the immediate future as they do not currently have the capacity to implement voucher transfers. The voucher transfer system has been difficult to implement until now, mainly because beneficiaries are unwilling to share personal information with other institutions. If the security situation improves, and if it is possible for an additional partner to manage voucher transfers, these will be re-considered for implementation and a further budget revision undertaken.
18. The budget revision envisages capacity-development activities supporting the SARC, the only authorized partner for WFP in Syria, which would enable the organization to cope with possible increases in humanitarian requirement and further expansion of food assistance. SARC is considering a more formal umbrella structure for the inclusion of community-based organizations and local non-governmental organizations to facilitate the delivery of humanitarian assistance. SARC has requested support with distribution training and deployment of additional volunteers to manage distributions. WFP will provide incentives for volunteers in each governorate for distribution and monitoring and will ensure that issues related to sound humanitarian practice, such as protection and awareness of sexual abuse and harassment, are included in training modules.
19. WFP will forward purchase commodities to ensure that a scale-up in food distributions could be handled quickly and effectively should the operational environment change. This 'surge capacity' includes increases in WFP staff both in core functions and in field to support and monitor food distributions.
20. High-energy biscuits (200 mt) are included in this budget revision. Biscuits will be allocated to the SARC branches at Governorate level to provide immediate relief for newly arrived families, to ensure that snacks are available for children on the day of registration or to be used according to urgency by SARC.

TABLE 1. BENEFICIARIES BY ACTIVITY			
Activity	Current	Increase/Decrease	Revised
General Food Distribution (In-Kind)	90,000	160,000	250,000
General Food Distribution (Vouchers)	10,000	-10,000	0
Total	100,000	150,000	250,000

TABLE 2: REVISED DAILY FOOD RATION (g/person/day unless otherwise indicated)				
	Current	Calories	Revised	Calories
Rice	100	360	166	597
Bulgur	66	231	66	231
Pasta	100	348	33	115
Pulses	33	109	33	109
Vegetable oil	33	293	33	293
Sugar	33	132	33	132
Iodized salt	5	0	5	0
Canned meat	33	72	33	72
Total	403	1,545	402	1549
High energy biscuits*	-		33	149

*This is an approximate ration size, although biscuits will be distributed in 2kg packages. Biscuits are expected to be used mainly for newly arrived families as “ready to eat” food.

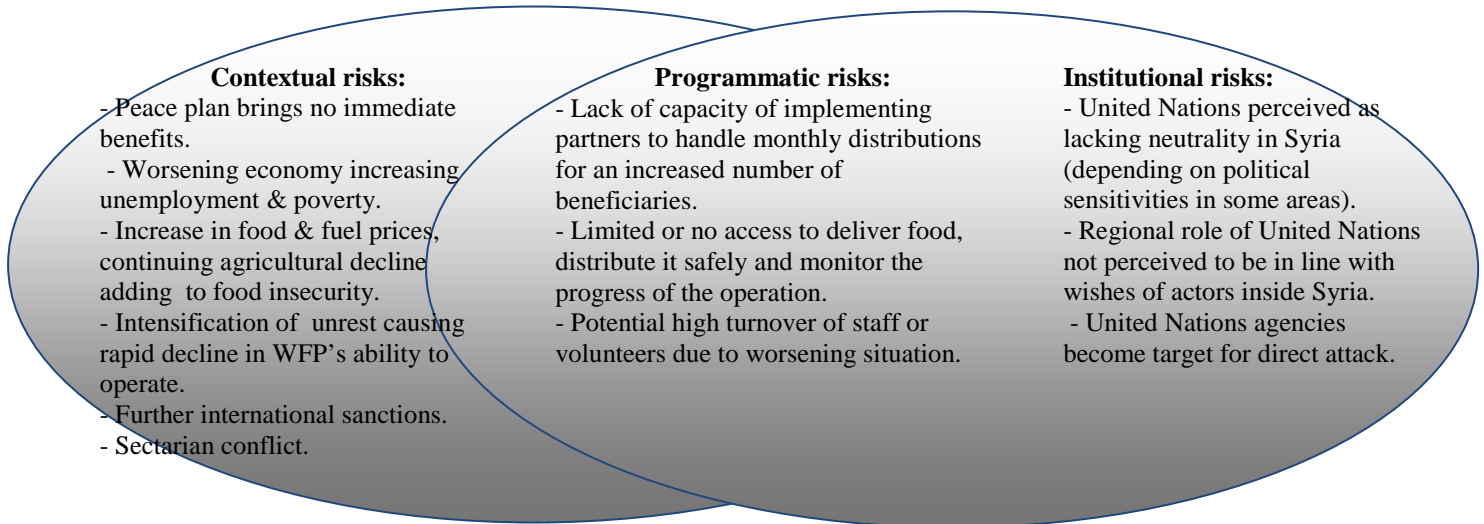
REQUIREMENTS

21. The proposed budget revision will increase food requirements by 17,272 mt to 32,963 mt and deduct the voucher transfers from the budget plan (see Table 3). This will be a net increase in food value of US\$11.6 million and with associated costs of US\$6.4 million will be a budget increase of US\$18 million (see Annex 1-A). This budget revision will bring the total cost of the EMOP to US\$37.4 million.

TABLE 3. FOOD AND CASH REQUIREMENTS				
Activity	Commodity/ Voucher	Food requirements (mt)/ voucher (US\$)		
		Current	Increase/ Decrease	Revised total
General Food Distribution	Commodity	15,691 mt	17,272mt	32,963 mt
General Food Distribution	Voucher	US\$982,800	--US\$982,800	0

Hazard / Risk Assessment and Preparedness Planning

22. The EMOP is subject to a number of risks, for which mitigation measures are currently being taken. The main risks identified are presented in the chart below.



Contextual Risks:

23. 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 significant. WFP is therefore building preparedness for itself and partners for a potential rapid scale-up in the provision of food assistance.
24. The effect of sanctions, insecurity and the deterioration of the economy will limit the production and imports, including food and fuel, increasing the risk of further disturbances. Difficulties in commercial imports and limited movement of both people and goods are 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 unrest, with further disruptions foreseen if sanctions spread.
25. WFP is working with United Nations counterparts 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:

26. 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, with other United Nations partners, continue to press for access to all affected areas and advocate for the urgent needs of all civilians affected by the crisis.
27. To ensure continued assistance to beneficiaries in the event of further deterioration in security, WFP has prepositioned food stocks in some governorates and is now looking to preposition food in the surrounding countries, to be able to scale-up quickly. However, should the situation worsen significantly, it may be difficult for WFP to continue to operate in the form of the current operation in Syria. Contingency plans have been made for regional support and a WFP Special Operation to boost security, logistics, and information/communications technology support was endorsed in April 2012.

28. In the event of a serious deterioration of the unrest, the United Nations may need to reduce the number of international staff in Syria. WFP has therefore already established a back-up office in Amman, Jordan and is developing plans for staff to be able to telecommute where possible. WFP is also strengthening the capacity of its national staff and of SARC, to manage programme implementation.
29. Food aid monitors have access to conduct monitoring in secure locations only, making it difficult to have a comprehensive overview of outputs and outcomes of the EMOP. An average of 40 percent of secure distribution locations have been covered by WFP staff recently. If it should become too insecure to monitor any locations, WFP will have to rely on SARC volunteers for monitoring.

Institutional Risks:

30. Although the crisis is leading to increased vulnerability to food insecurity, the international focus has so far been mainly on the political and security situation. The current level of donor interest would indicate that this situation is now changing.
31. Considering the worsening security situation, including an increase in the use of improvised and vehicle-borne explosive devices in “safe” areas, there is a significant risk of the civil unrest becoming a full-scale armed conflict and the risk to United Nations staff and facilities is significant.⁴ The WFP Syria security unit is therefore involved in security assessment missions in coordination with the United Nations Department of Safety and Security (UNDSS) prior to deployment of WFP staff to Syria and within the country. 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. An additional security officer is also proposed within this budget revision.

⁴ A WFP vehicle was recently hijacked by armed men in an area of Rural Damascus that had been considered secure.

RECOMMENDATION

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

APPROVAL

Ertharin Cousin
Executive Director
United Nations World Food Programme

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

Date:

Date:

ANNEX I-A

BUDGET INCREASE COST BREAKDOWN			
Food⁵	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	11,268	4,853,444	
Pulses	1,398	1,244,222	
Oil and fats	1,398	2,076,030	
Mixed and blended food	200	188,000	
Others	3,008	4,262,235	
Total food	17,272	12,623,932	
Cash transfers		-	
Voucher transfers		-982,800	
Subtotal food and transfers			11,641,132
External transport			1,575,786
Landside transport, storage and handling			1,451,884
Other direct operational costs			490,888
Direct support costs ⁶ (see Annex I-B)			1,676,465
Total WFP direct costs			16,836,155
Indirect support costs (7.0 percent) ⁷			1,178,531
TOTAL WFP COSTS			18,014,686

⁵ This is a notional food basket for budgeting and approval. The contents may vary.

⁶ Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

⁷ 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	1,220,818
Local staff - temporary assistance	61,211
Staff duty travel	26,400
Subtotal	1,308,428
Recurring Expenses	
Rental of facility	90,000
Utilities	27,000
Office supplies and other consumables	13,500
Communications services	45,000
Equipment repair and maintenance	2,250
Vehicle running costs and maintenance	1,519
Office set-up and repairs	6,100
Subtotal	185,369
Equipment and capital costs	
Vehicle leasing	3,443
Communications equipment	210,525
Subtotal	213,968
TOTAL DIRECT SUPPORT COSTS	1,707,765

ANNEX II LOGICAL FRAMEWORK

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

Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
WFP STRATEGIC OBJECTIVE 1: Save lives and protect livelihoods in emergencies		
EMOP Objective: To reach vulnerable households whose food and nutrition security has been adversely affected by the civil unrest		
<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 distributed in sufficient quantity and quality to target groups of women, men, girls and boys under secure conditions.</p>	<p>Output indicators: Number of women, men, girls and boys receiving food and as percentage of planned.</p> <p>Tonnage of food distributed, by type, as percentage of planned distribution.</p> <p>Means of verification: Programme monitoring data through food aid monitors and implementing partner.</p>	<ul style="list-style-type: none"> ➤ Difficulty in assessing precise 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. ➤ Disruption of supply, transport and distribution of predetermined commodities by the implementing partner.

