

**Ethiopia Special Operation 200364:
Provision of Humanitarian Air Services in Ethiopia**

B/R No.: 02

**BUDGET REVISION OF SO FOR THE APPROVAL OF THE DEPUTY
EXECUTIVE DIRECTOR & COO**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<u>ORIGINATOR</u>				
Country Office
<u>CLEARANCE</u>				
Project Budget & Programming Officer, RMBP
Chief, RMBP
Chief, ODLT
Director, ODL
Regional Director, ODN
<u>APPROVAL</u>				
<input type="checkbox"/> Deputy Executive Director & COO

PROJECT: Ethiopia SO 200364			
	Previous Budget	Revision	New Budget
ODOC (US\$)	6,461,080	7,975,961	14,437,041
DSC (US\$)	584,512	904,732	1,489,244
ISC (US\$)	493,191	621,648	1,114,839
Total WFP Cost (US\$)	7,538,783	9,502,341	17,041,124

<u>TYPE OF REVISION</u>			
<input checked="" type="checkbox"/> Additional DSC	<input checked="" type="checkbox"/> Additional ODOC	<input checked="" type="checkbox"/> Extension in time	<input type="checkbox"/> Other

NATURE OF REVISION:

A budget revision to Special Operation 200364 “Provision of Humanitarian Air Services in Ethiopia” is proposed to increase the budget by US\$**9,502,341**, and extend the project for 12 months until 31 December 2013.

BACKGROUND:

1. Ethiopia is one of the world’s most underdeveloped countries, home to an estimated 85 million people. Nearly 10 per cent of the population remains chronically vulnerable to food insecurity and dependent on national safety-net programmes. Every year several million people require humanitarian assistance to meet their basic needs for survival and maintenance of livelihoods.
2. Since its inception in 2007, the World Food Programme United Nations Humanitarian Air Service (WFP/UNHAS) for Ethiopia has facilitated the movement of staff engaged in humanitarian operations in the most remote and needy areas of the Somali Region of Ethiopia.
3. Since July 2011, humanitarian activities in the south-eastern portion of Ethiopia, and in particular Dolo Ado, increased due to the arrival of large numbers of persons escaping civil unrest, violence, and drought in south-central Somalia. During this crisis the number of humanitarian organizations operating in the area and using WFP/UNHAS services increased. In response to the humanitarian emergency WFP/UNHAS expanded its operations in order to provide safe and reliable air transport for the humanitarian community.
4. In May 2012 WFP initiated the construction of a new runway in Dolo Ado to address the issue of accessibility to Dolo Ado during the rainy season. Construction was completed in October 2012. The new runway has been elevated and equipped with a drainage system to avoid flooding during heavy rains. These improvements allow access by fixed-wing aircrafts even during the rainy season.
5. Since June 2012 WFP/UNHAS expanded its flights from Addis Ababa to Gambela (Gambela Region) and Assosa (Benishangul Gumuz Region) as well as between the two locations. The situation in neighboring countries along Ethiopia’s western borders has steadily deteriorated and has become more complex with new tribal fighting adding to internal strife in South Sudan and ongoing conflicts with the North. This has resulted in increased and even more ethnically mixed and multifaceted populations seeking assistance in two Ethiopian regional states along the border.
6. This special operation (SO 200364) was initially established for one year, from 1st January to 31st December 2012, with an initial budget of US\$4,552,553. One budget revision was processed earlier in 2012 for a budget increase to cater for additional aircraft operational hours thus ensuring access to Dolo Ado until the end of 2012, as well as to new destinations, Gambela and Assosa. The revision brought the budget to a total of US\$7,538,783 for 2012.
7. Due to increased demand for air transport, by October 2012 approximately 1000 passengers a month were being moved by UNHAS. To respond to this expanding demand, WFP’s fleet increased from 2 to 4 aircraft (one 20 seat Dash 8, two 11 seats C208, while another C208 was able to deploy on an ad-hoc basis if demand required)
8. Since 1 January to the end of November 2012, WFP/UNHAS fleet flew a total of 2,452 hours transporting 9,541 passengers and 27 mt of light humanitarian cargo. Within the same time period, WFP/UNHAS also performed 40 medical evacuations.

JUSTIFICATION FOR THE REVISION:

9. The humanitarian community in Ethiopia will continue implementation of their programmes in 2013, with many of the operational activities based in the Somali Region of Ethiopia (zones of Degehabur, Fik, Gode, Korahe, Warder and Dolo) as well as Gambela and Assosa regions.
10. The regions where humanitarian activities take place are very far apart, passing through insecure areas that cannot easily be reached by road. A passenger air service is required to facilitate humanitarian access to beneficiaries, facilitate projects implementation, as well as to allow the continued assessment of humanitarian needs.
11. In addition, the large distances in the operational area require an air service that can provide medical and security evacuations as and when required.

12. Access by road is traditionally cut off to many locations during the wet months due to the extensive lack of adequate road infrastructure throughout the country. Because of insecurity on the roads, particularly in conflict affected areas, WFP/UNHAS services are the best way to reach remote locations.
13. At present there are no commercial alternative for WFP/UNHAS operations in the area.
14. The continuation of the WFP/UNHAS activities in Ethiopia in 2013 has been requested by the UNHAS Ethiopia User Group Committee (UGC). The UGC deliberated on the need for continuation of the services given the: unpredictable security situation on the ground, limiting the mobility of aid workers using surface transport; continuation of relief activities in the region; and unavailability of safe commercial flights serving the most remote destinations where humanitarian assistance is provided.
15. The objectives of WFP/UNHAS Ethiopia will remain as follows:
 - Ensure the humanitarian community has access to the affected population through the provision of safe, efficient, and cost-effective inter-agency air transport service to United Nations agencies, Non-Governmental organizations (NGOs), and donor organizations;
 - Ensure access to urgently needed light relief items and cargo, such as medical supplies, high energy foods, and Information and Communication Technology (ICT) equipment, through the provision of light air cargo services;
 - Ensure humanitarian personnel deployed in the areas of operation can be evacuated in a safe and timely manner in case of a security or medical emergency;
16. In 2013, WFP/UNHAS Ethiopia will continue to operate one Caravan C208 (another stand-by C208 will be deployed on an ad-hoc basis from an Ethiopian operator) and one Dash 8 as well as one B 19 seat 1900 will be added to the fleet in order to address the increased humanitarian demand. All aircrafts will be based in Addis Abeba and will serve 9 destinations (Dollo Ado, Dire Dawa, Kebri Dehar, Jijiga, Gode, Warder, Assosa, Gambella and Semera), with the target to transport at least 1,000 passengers a month.
17. The construction of Dolo Ado airstrip was completed in October 2012; this budget revision includes a provision for the airstrip maintenance of US\$50,000¹ in 2013.
18. To strengthen the managerial capacity of this operation, given the level of responsibility of the Chief Air Transport Officer (CATO) and the Deputy CATO in general and the specific environment of Ethiopia (increased fleet, critical medical evacuations, security and other aspects), the CATO post will be upgraded from a P3 level to a P4 level, and the Deputy CATO will be deployed at a P3 level effective from January 2013. One international Air Transport Officer P2 in Dollo Ado and national staff in various locations where WFP/UNHAS operates was included in the 2012 budget and is expected to continue to be needed in 2013.
19. Users of this service continue communicating their requests through monthly User Group Committee (UGC) meetings, which are held for purposes of proper administration and decision making.
20. WFP/UNHAS is planning to generate 15 percent revenue through subsidized ticket sales, with the remaining 85 percent coming from donor contributions. UNHCR may also share the additional aircraft capacity with WFP in 2013 on a cost recovery basis.
21. The operation will be monitored in line with the updated key performance indicators as follows:
 - Aircraft occupancy rate (target: 60 percent);
 - Average number of passengers transported per month (target: 1000 passengers per month);
 - Average tonnage of food or non-food items transported against requested or planned quantities (target: 5mt of non-food items per month);
 - Utilization of contracted hours (target: 100 percent);
 - Frequency of the Users Groups' meetings (target: monthly);
 - Number of agencies and organizations using the air service (target: 35)
 - Number of locations served (target: 9)
 - Percentage of requests medical and security evacuations addressed (target: 100 percent)

¹ The cost estimate is provided by the same road construction company that performed the airstrip construction.

In light of the above, this budget revision for an increase of US\$9,502,341 is submitted for approval by the Deputy Executive Director and COO.

DISTRIBUTION:

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