

**Lesotho Country Programme: LSCO 200369**  
**B/R No.:01**

**BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR**

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<b><u>ORIGINATOR</u></b>				
Country Office or Regional Bureau on behalf of Country Office	.....	.....	.....	.....
<b><u>CLEARANCE</u></b>				
Project Budget & Programming Officer, RMBP	.....	.....	.....	.....
Chief, RMBP	.....	.....	.....	.....
Chief, OSLT (change in LTSH and/or External Transport)	.....	.....	.....	.....
<b><u>APPROVAL</u></b>				
<input type="checkbox"/> Regional Director	.....	.....	.....	.....

<b>PROJECT</b>			
<b>Start date:</b> 01.01.2013		<b>End date:</b> 31.12.2017	
	<b>Previous Budget</b>	<b>Revision</b>	<b>New Budget</b>
Food cost <sup>1</sup>	US\$16 780 560	US\$ 2 910 918	US\$ 19 691 478
External transport <sup>2</sup>	US\$ 1 436 570	US\$ (494 104)	US\$ 942 466
LTSH <sup>3</sup>	US\$ 4 672 370	US\$ 1 845 675	US\$ 6 518 045
ODOC <sup>4</sup>	US\$ 3 636 215	US\$(2 316 985)	US\$ 1 319 230
DSC <sup>5</sup>	US\$ 6 578 217	US\$(3 765 276)	US\$ 2 812 941
ISC (7%) <sup>6</sup>	US\$ 2 317 275	US\$ (127 384)	US\$ 2 189 891
<b>Total WFP cost (US\$)</b>	<b>US\$35 421 207</b>	<b>US\$(1 947 156)</b>	<b>US\$ 33 474 051</b>

**TYPE OF REVISION**

<input checked="" type="checkbox"/> Additional commodity	<input type="checkbox"/> Additional DSC	<input type="checkbox"/> Additional ODOC	<input checked="" type="checkbox"/> Additional LTSH
<input type="checkbox"/> Additional external transport	<input type="checkbox"/> Extension or Reduction in time	<input checked="" type="checkbox"/> Other	

<sup>1</sup> Food cost can comprise both commodities as well as cash/voucher transfers.

<sup>2</sup> The first leg of transport for commodities: from the donor country to the recipient country port, or in cases of regional commodity purchases, from the place of purchase to the recipient country.

<sup>3</sup> Landside, Transport, Storage and Handling - LTSH comprises the actions required to (a) care for and (b) physically deliver the commodities from the completion of external transport through to final distribution.

<sup>4</sup> Other Direct Operational Costs - ODOC include deliverable goods (non-food items), services and training to beneficiaries and/or to implementing partners.

<sup>5</sup> Direct Support Costs - DSC are those costs which are incurred directly in support of projects by a WFP Country Office.

<sup>6</sup> Indirect Support Costs - ISC is a fixed rate resourced from all donor contributions, which is used to cover (non-project) corporate overhead costs, i.e. PSA.

## NATURE OF THE REVISION

1. This first budget revision to the Lesotho Country Programme (CP 200369) aims at:
  - Including a new fortified blended food into the food commodity basket of the nutrition and HIV component (Component 3) in order to align it with WFP nutrition guidelines;
  - Increasing the current budget of the nutrition component in order to respond to the increased number of beneficiaries by 6,350 (from 64,500 to 70,850) under component 3 - Nutrition and HIV.
  - Making provision for a specific contribution from the Government of South Africa responding to an appeal made by the Government of Lesotho.
2. The proposed budget revision will therefore :
  - Increase the overall food commodity plan by 2,886 mt of food commodities, namely 2,148 mt of Super cereal and by 738 mt of enhanced Supercereal-Plus for a total estimated value of US\$ 2.9 million;
  - Adjust the associated costs through reduction of External Transport budget line by US\$ 0.5 million, increase of Land, Transport, Storage and Handling (LTSH) line by US\$ 1.8 million, reduction of Other Direct Operational Costs (ODOC) budget line by US\$ 2.3 million, reduction of Direct Support Costs (DSC) budget line by US\$ 3.8 million and a reduction of Indirect Support Costs (ISC) budget line by US\$ 0.1 million;
  - Decrease the total costs of the budget plan by US\$ 1.9 million.

## JUSTIFICATION FOR BUDGET REVISION

### Summary of existing project activities

3. WFP is implementing a five-year Country Programme from January 2013 to December 2017. The long-term goals of country programme are to: i) enhance resilience and responsiveness to food-security shocks; and ii) enhance the nutritional and social well-being of vulnerable groups. The objectives of the Country Programme are to:
  - Improve food security through measures that reduce risks associated with disasters (Strategic Objective 2);
  - Support human development and increase pre-primary school enrolment (Strategic Objectives 4 and 5); and
  - Improve socio-economic capacities by investing in people's physical well-being, reducing the care and economic burden associated with chronic illness and improving people's nutritional status (Strategic Objectives 4 and 5).
4. The Country Programme has three components:
  - **Component 1:** Enhancing Resilience and Responsiveness through Disaster Risk Reduction. Through this component, WFP supports livelihood strategies that enhance both incomes and farm-based assets in order to increase farmers' resilience to shocks.
  - **Component 2:** Support for Pre-School Education. Through this component, pre-school children receive a morning porridge and a lunchtime meal to improve their stamina and learning capacity. This is expected to increase school enrolment and ensure that children are better prepared for primary education.

- **Component 3:** Support for Nutrition and HIV. The Nutrition and HIV component covers three areas; Curative, Preventative and Supportive Interventions aiming at supporting the Ministry of Health in its efforts to improve the quality of nutritional rehabilitation services. This intervention consists in the provision of supplementary feeding for moderately undernourished children, pregnant and lactating women, as well as ART and TB-DOT clients. The programme implementation follows the national protocol on Integrated Management of Moderate Acute Malnutrition (IMAM), using anthropometric measurements for enrolment and discharge.

### **Conclusion and recommendation of the re-assessment**

5. During the preparation process of the nutrition component of the Lesotho Country Programme document, the Ministry of Health and Social Welfare had requested more time to improve institutional, operational and staffing capacities before introducing a new nutritional product recommended by WFP. As a result, WFP had initially provided Super Cereal product to children under the age of five with a view to make the necessary adjustments at a later stage.
6. Following readiness of the Ministry of Health to provide a more appropriate product, the CO seeks now to accommodate the initially recommended nutritional product (Super Cereal Plus) under the “Right Food at the Right Time” framework for curative and preventive activities. In line with the corporate guidance and latest evidence in nutritional effectiveness the Nutrition and Health component will include the provision of specialized products for specific subgroups:

#### Curative:

- U5: Super cereal plus
- PLW: Super cereal
- HIV/TB: Super cereal

#### Preventive:

- U2: Super cereal plus
- PLW: Super cereal

### **Purpose of budget revision**

7. The first purpose of this budget revision is to include a new fortified blended food into the food basket commodity of the nutrition component in order to effectively support the Government in treating moderate acute malnutrition and prevention of chronic malnutrition. WFP will use this more specialized nutritional product (Supercereal - Plus), which is easily absorbed and has a better micronutrient profile. This product is more effective in the treatment and prevention of malnutrition of children aged 6 to 59 months and 6 to 23 months respectively. Pregnant and lactating women, ART and TB clients WFP will be provided with fortified blended food (Supercereal).
8. All products to be used are in line with the National IMAM protocol as well as WFP’s recommendations and mission on improving nutrition: *“Ensuring Access to the Right Food, at the Right Place at the Right Time”*.
9. The second purpose of this budget revision is to revise the budget plan in order to accommodate a recent contribution from the Government of South Africa (RSA) to support Lesotho to address the current food crises in the country. Supplementary feeding (curative)

will be expanded to cover the entire country therefore increasing the number of beneficiaries reached.

### Revised nutrition food basket for Component 3:

Table 1 : FOOD RATION FOR COMPONENT 3 – NUTRITION AND HIV (g/person/day)						
Food commodities	Component 3 – Support to Nutrition and HIV					
	Curative – moderate acute malnutrition			Preventative - stunting		Supportive
	ART/PMTCT/TB individual	pregnant lactating women	6–59 months	6–24 months	pregnant lactating women	household ration
Fortified maize meal	0	0	0	0	0	200
Pulses	0	0	0	0	0	60
Oil	0	0	0	0	0	20
Super cereal	250	250	-	-	250	0
Super cereal plus	0	0	200	200	0	0
<b>TOTAL</b>	<b>250</b>	<b>250</b>	<b>200</b>	<b>200</b>	<b>250</b>	<b>280</b>
Total kcal/day	1,000	1,000	1,000	1,000	1,000	1,078
% Kcal from protein	18	18	14	14	18	12
% Kcal from fat	13.5	13.5	27	27	13.5	24

### FOOD REQUIREMENTS

10. Under this revision, Super cereal rations for component 3, Nutrition and HIV were reduced to align with corporative guidelines from 333g to 250g per person per day.
11. The total food commodities required will increase from 33,060 mt to 35,946 mt. The changes resulted from the increase in Super cereal, and introduction of Super cereal - Plus.

TABLE 2. FOOD REQUIREMENTS BY ACTIVITY TYPE			
Activity	Food requirement (mt)		
	Present	Increase	Revised
Curative	7 500	1 290	8 790
Preventative	6 300	1 596	7 896
Supportative	5 040	0	5 040
DRR	4 320	0	4 320
School meals	9 900	0	9 900
<b>Total</b>	<b>33 060</b>	<b>2 886</b>	<b>35 946</b>

<b>TABLE 3 : FOOD REQUIREMENTS FOR NUTRITION AND HIV COMPONENT (MT)</b>				
<b>Food Commodity</b>	<b>Initial requirements Component 3 – Support to Nutrition and HIV</b>		<b>Increase requirements Component 3 – Support to Nutrition and HIV</b>	
	<b>Individual client</b>	<b>Family ration</b>	<b>Individual client</b>	<b>Family ration</b>
Fortified Maize meal	-	3 600	-	3 600
Pulses	-	1080	-	1080
Oil		360	-	360
Super cereal	13 800	-	2 148	-
Supercereal Plus	-	-	738	-
<b>TOTAL (mt)</b>	<b>13 800</b>	<b>5 040</b>	<b>2 886</b>	<b>5 040</b>

<b>TABLE 4 : BENEFICIARIES BY CATEGORY</b>			
<b>Category</b>	<b>Number of Beneficiaries</b>		
	<b>Present</b>	<b>Increase</b>	<b>Revised</b>
<b>Support to Nutrition - Curative</b>			
ART/PMTCT/TB	7 000	1 000	8 000
Pregnant and lactating women	1 900	8 630	10 530
Children 6 to 59 months	3 600	( - 600)	3 000
<b>Support to Nutrition - Supportive</b>			
ART/PMTCT/TB family ration	10 000	0	10 000
<b>Support to Nutrition -Preventative</b>			
Children aged 6 to 23 months	24 000	( - 16,750)	7 250
Pregnant and lactating women	18 000	14 070	32 070
<b>Disaster Risk Reduction</b>			
DRR	10 000	0	10 000
<b>School Meals</b>			
School Meals	50 000	0	50 000
<b>Total</b>	<b>124 500</b>	<b>6 350</b>	<b>130 850</b>

**DISTRIBUTION:**

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 Director, OME  
 Chief, OSLT  
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 OM Registry  
 Director, PGG

Director, OSZ  
 Chief, RMBP  
 Chief, OSZR  
 Programme Officer, RMBP  
 Programming Assistant, RMBP  
 Liaison Officer, OMJ

Chief, OSZP  
 Regional Director  
 RB Programme Advisor  
 RB Programme Assistant  
 RB Chrono