

BUDGET REVISION No. 3 TO REGIONAL EMERGENCY OPERATION 200433

Food Assistance to vulnerable Syrian populations in Jordan, Lebanon, Iraq and Turkey affected by the events in Syria

Start date: 1 July 2012 End date: 31 December 2012

	Cost (United States dollars)		
	Current budget	Increase	Revised budget
Food cost	18,105,436	4,050,000	22,155,436
External transport	-	-	-
LTSH	69,041	-	69,041
ODOC	2,719,327	1,011,750	3,731,077
DSC	5,020,248	1,112,077	6,132,325
ISC (7.0 percent)	1,813,984	432,168	2,246,152
Total cost to WFP	27,728,036	6,605,995	34,334,031

NATURE OF THE INCREASE

1. This budget revision to regional emergency operation (EMOP) 200433 “Food Assistance to vulnerable Syrian populations in Jordan, Lebanon, Iraq and Turkey affected by the events in Syria” is requested to include operational requirements to support Syrian refugees in Turkey, and to cover additional costs for the refugee response in Jordan. Specifically:
 - Turkey: introduction of a voucher-based intervention for 30,000 beneficiaries valued at US\$4 million.
 - Jordan: increase direct support costs (DSC) and other direct operational costs (ODOC) to cover additional staff and equipment.
2. Overall this budget revision will increase ODOC by US\$1 million and DSC by US\$1.1 million. The total cost of the EMOP will increase from US\$27.7 million to US\$34.3 million.

JUSTIFICATION FOR BUDGET INCREASE

Summary of Existing Project Activities

3. The events in the Syrian Arab Republic have led to tens of thousands of Syrians fleeing to the neighbouring countries of Jordan, Lebanon, Iraq and Turkey, resulting in significant humanitarian needs. WFP launched regional EMOP 200433 in June 2012 to provide food assistance to Syrian refugees in Jordan, Lebanon and Iraq. This regional EMOP facilitates a coherent, flexible response aligned to the United Nations Syria Regional Response Plan, led by the Office of the United Nations High Commissioner for Refugees (UNHCR).

4. In line with WFP Strategic Objective 1,¹ the goal of the EMOP is to meet immediate food needs while preventing negative coping strategies for a population that has sustained multiple shocks over the past year. The EMOP covers six months of food assistance, from July to December 2012, and is based on an agreed planning scenario with UNHCR and partners that provides for an expected monthly increase of the number of beneficiaries from 67,000 beneficiaries in July to reach 135,000 beneficiaries by December 2012.
5. The EMOP mainly uses vouchers, so that beneficiaries who are predominantly in urban settings can purchase food from local markets and participate in the local economy. Limited in-kind assistance is provided in Iraq, in transit centers in Jordan, and in Lebanon for refugees waiting for UNHCR registration. Most commodities are procured locally or regionally.
6. Two budget revisions have enabled WFP to scale-up and respond to the changes in the overall situation across the region and the increased emergency food assistance needs of the Syrian refugees. In Jordan, distribution of hot meals in a new tented camp in Mafraq Governorate has begun, pending the construction of cooking facilities which would permit a shift to in-kind food assistance. The four transit centers (Bashabsheh, King Abdullah Park, Stadium and Cyber City) host over 3,200 people, while the camp's population is over 8,000 people. A field-level agreement has been signed with a cooperating partner, *Takiyet um Ali*, for the supply of hot meals to the Syrian refugees in three of the four transit centers across Jordan.

Conclusion and Recommendations of the Re-Assessment

7. In Turkey, the Government has formally declared and maintained an open border policy since April 2011 when the first groups of Syrian refugees arrived in Turkey. To date, the Government of Turkey has provided over US\$200 million in humanitarian assistance for Syrian refugees. In April 2012, the Government of Turkey officially agreed to accept assistance offers from the international community for critical relief items and in July the Government formally requested WFP to complement its humanitarian response efforts and cover the essential food requirements for 30,000 Syrian refugees, while also providing technical assistance to harmonize the provision of food assistance to the refugees and to support the local economy.
8. The UNHCR-led Regional Response Plan projected 60,000 Syrian refugee arrivals in Turkey by December 2012. Due to the upward trend in arrivals, the plan is being reviewed to reflect an updated scenario of 100,000 people requiring assistance. As of 24 August 2012, the number of registered refugees in Turkey is 78,409.² This number is expected to increase further due to the deteriorating situation in Aleppo in Syria.
9. Syrian refugees are accommodated in eight camps (tents and prefabricated containers) in Turkey located in four border provinces. There are five tent sites in Hatay, Altinozu, Yayladagi I and II, Boynuyogun, Apaydin, one tent site in Islahiye in Gaziantep, one tent site in Ceylanpinar in Sanliurfa and a container site in Kilis. Four additional sites with a capacity of 10,000 refugees each are currently under construction. Four of the eight camps are within, or close to, urban areas, while the remaining camps are located in remote areas.

¹ Strategic Objective 1: Save lives and protect livelihoods in emergencies.

² Number provided by the Government of Turkey and published on the UNHCR Syria Refugee Response Information Sharing Portal - <http://data.unhcr.org/syrianrefugees/regional.php>.

10. The Government of Turkey is providing food assistance to Syrian refugees registered in the camps through the Turkish Red Crescent. Half of the beneficiaries receive cooked meals, while the remainder receive weekly or bi-weekly food parcels of dry and fresh food. The transfer value of the assistance differs across the camps, ranging from US\$147 to US\$170, per person per month for cooked meals.
11. In July 2012, the Government of Turkey introduced a food voucher scheme in Kilis camp using biometric identity cards, enabling beneficiaries to purchase food and non-food items from supermarkets on the premises of the camp. The transfer value of the e-voucher was US\$45 per month. Unfortunately, the system malfunctioned due to technical difficulties, causing problems in the camps. As a result, the use of the e-voucher system has been suspended and Kilis camp has returned to in-kind food distribution.
12. WFP conducted a voucher feasibility assessment mission in Turkey during the second half of July 2012 and met with representatives of the *Afet ve Acil Durum Yönetimi Başkanlığı* (AFAD - Disaster and Emergency Management Presidency of Turkey) and the Ministry of Foreign Affairs of Turkey. The mission found that voucher transfers are most relevant and appropriate as they offer significant advantages, such as: cost effectiveness, beneficiary choice, improved dietary diversity, greater speed and flexibility of response, and a positive impact on the market. Use of a market-based tool also facilitates the eventual handover of the programme to the Government.
13. WFP has developed an operational plan to support Syrian refugees in Turkey that integrates the following recommendations agreed with AFAD. WFP will implement a gradual transition from in-kind food assistance to a market-based food voucher programme by:
 - restoring the government-initiated voucher scheme in the Kilis camp once the Government of Turkey confirms the functionality of the ID card system;
 - initiating the transition to voucher transfers in the three camps of Hatay province, where beneficiaries have cooking facilities and can access existing shops in the vicinity or inside the camps;
 - setting-up voucher transfers in Boynuyogun camp once shop facilities have been installed in the camp; and
 - extending vouchers to all camps, after installation of cooking facilities by the Government of Turkey. AFAD will assess the camps and communicate timelines and plans for installation of cooking facilities to WFP.

Purpose of Budget Increase

TURKEY

14. This budget revision proposes to introduce a food voucher programme to support Syrian refugees in Turkey, as a complement to the Government of Turkey's ongoing relief response. As requested by the Government, WFP will reach 30,000 refugees by December 2012, as reflected in table 1 below. Discussions with the Government are already underway to further expand WFP assistance as the provision of cooking facilities and access to food shops at camp sites progress. Planned beneficiary numbers for Jordan, Lebanon and Iraq remain unchanged.
15. Short-term assistance will continue to be provided on the basis of beneficiaries' status as registered refugees. If the refugee crisis becomes a protracted situation, future joint vulnerability assessments will be carried out to enhance beneficiary targeting. A regional

emergency food security assessment is planned for the end of 2012 to review targeting approaches.

	Category	July	August	September	October	November	December
Jordan	Refugees	35,000	52,000	59,000	66,000	73,000	80,000
Lebanon	Refugees	27,000	30,000	32,500	35,000	37,500	40,000
Iraq	Refugees	5,000	10,000	15,000	15,000	15,000	15,000
TOTAL Current		67,000	92,000	106,500	116,000	125,500	135,000
Turkey	Refugees	-	-	-	30,000	30,000	30,000
TOTAL Revised	Refugees	67,000	92,000	106,500	136,000	150,500	165,000

16. The voucher value WFP is using for refugees in Lebanon and Jordan under EMOP 200433 is US\$31, which is calculated based on the retail prices of the food basket in each country, allowing for potential inflation. A price analysis conducted by the feasibility assessment mission in Turkey concluded that the cost of the food basket across the refugee-hosting provinces is 35-55 percent higher than in Lebanon and Jordan. Therefore, in order to meet the beneficiary needs with the same level of assistance as in Jordan and Lebanon, the recommended transfer value for Turkey is US\$45, as shown in table 2 below. The Government of Turkey is planning to complement WFP's voucher programme through the provision of fresh commodities and infant food.

Commodity	Kcal	Ration	Price (TRY/kg)	Cost (TRY/daily ration/person)
Medium Grain Rice	720	0.2	4.4	0.88
Bulgur	455	0.13	1.9	0.25
Pasta	174	0.05	2.1	0.11
Pulses	169	0.05	3.4	0.17
Sugar	200	0.05	2.9	0.15
Sunflower Oil	292	0.033	5.6	0.18
Iodized Salt	0	0.005	1.2	0.01
Canned Meat	84	0.038	26.3	1
Total kcal/day	2,094	Daily value in TRY (Turkish lira)		2.74
% from protein	10.8	Daily value in US\$		1.5
% from fat	18.5	Monthly value US\$		45

TABLE 3: REVISED DAILY FOOD TRANSFER	
	Activity 1
Food vouchers (US\$/pers/month) Turkey	US\$45
TOTAL	US\$4,050,000
<i>Total kcal/day</i>	<i>2,100 kcal</i>

17. *Delivery mechanism.* Initially, WFP will use paper vouchers while the Government of Turkey continues testing the implementation of biometric identity cards. Once the functionality of the identity card system is confirmed, WFP will shift to an electronic voucher system using the biometric identity cards issued to the refugees. WFP plans to partner with the Turkish Red Crescent for the implementation of the voucher programme. A baseline survey will be conducted once the voucher programme becomes operational to facilitate performance management and accountability.

18. With the introduction of the new voucher activities in Turkey, WFP is re-establishing an operational presence, including reopening a support/protocol office in Ankara with plans to open one main sub-office in Gaziantep and a presence in Hatay, near the border with Syria. It is anticipated that the staffing requirements will range between 15-20 staff initially, though WFP's presence across the country may change as the refugee situation evolves and depending on the Government's plans to setup new camps along the border.

JORDAN

19. Refugees in Jordan are arriving mainly late at night. WFP staff are therefore working in shifts to address the needs of newly arriving refugees in a timely manner. This budget revision therefore also requests increased DSC and ODOC to cover the augmentation of staffing capacity to coordinate food distributions in the camp, as well as additional equipment to ensure full operational capacity.

FOOD REQUIREMENTS

20. The proposed budget revision will increase food voucher requirements by US\$4 million, bringing the total food voucher requirements for the EMOP to US\$20.5 million. The in-kind food requirements of 1,550 mt valued at US\$1.6 million remain unchanged.

TABLE 4: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY (mt & US\$)			
Activity	Present	Increase	Revised
Jordan: Hot meals and in-kind food distribution	961	--	961
Iraq: In-kind food distributions	329	--	329
Lebanon: In-kind food distributions	260	--	260
Total in-kind food (mt)	1 550	--	1 550
Jordan: voucher assistance	\$9,765,000	--	\$9,765,000
Iraq: voucher assistance	\$1,481,000	--	\$1,481,000
Lebanon: voucher assistance	\$5,270,000	--	\$5,270,000
Turkey: voucher assistance	--	\$4,050,000	\$4,050,000

Total vouchers (US\$)	\$16,516,000	\$4,050,000	\$20,566,000
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21. *Hazard / Risk Assessment.* The expansion of WFP activities into Turkey is not expected to bring additional contextual risks, other than those already identified under this EMOP, in view of Turkey’s strong economy, vibrant market and security. However, some programmatic risks are acknowledged with the set-up of activities in a new country, including the need for WFP to identify and develop the capacity of partners quickly and find reliable suppliers. In addition, the government’s ration has been very generous in comparison to WFP standards and the shift may cause consternations among some refugees; this will be managed through clear and consistent communications. Meeting the expectations of the Turkish Government that WFP will be able to set-up and implement rapidly also presents some institutional risk. WFP will minimize operational delays that could have a reputational impact by rapidly deploying qualified staff with good experience in voucher programmes at field-level.

RECOMMENDATION

22. This proposed budget revision for an additional commitment of food assistance and associated costs, resulting in the revised budget for regional EMOP 200433, is recommended for approval by the Executive Director 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			
Food³	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals			
Pulses			
Oil and fats			
Mixed and blended food			
Others			
Total food			
Cash transfers			
Voucher transfers		4,050,000	
Subtotal food and transfers			4,050,000
External transport			
Landside transport, storage and handling			
Other direct operational costs			1,011,750
Direct support costs (see Annex I-B)			1,112,077
Total WFP direct costs			6,173,827
Indirect support costs (7.0 percent) ⁴			432,168
TOTAL WFP COSTS			6,605,995

³ This is a notional food basket for budgeting and approval. The contents may vary.

⁴ 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	350,498
Local staff - national officers	34,706
Local staff - temporary assistance	179,398
Local staff - overtime	7,500
Staff duty travel	312,193
Subtotal	884,295
Recurring expenses	
Rental of facility	29,167
Utilities	4,000
Office supplies and other consumables	3,500
Communications services	22,436
Vehicle running costs and maintenance	48,800
Office setup and repairs	95,230
Subtotal	203,133
Equipment and capital costs	
Vehicle leasing	850
Local security costs	23,800
Subtotal	24,650
TOTAL DIRECT SUPPORT COSTS	1,112,077

ACRONYMS USED IN THE DOCUMENT

AFAD	<i>Afet ve Acil Durum Yönetimi Başkanlığı</i> (Disaster and Emergency Management Presidency of Turkey)
DSC	direct support costs
EMOP	emergency operation
ODOC	other direct operational costs
UNHCR	Office of the United Nations High Commissioner for Refugees