

**Sudan Special Operation 200514:
Provision of Humanitarian Air Services in Sudan**

B/R No.: 01

BUDGET REVISION OF SO FOR THE APPROVAL OF REGIONAL DIRECTOR

	<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, OSLT
Director, OSL
<u>APPROVAL</u>				
<input type="checkbox"/> Regional Director, RB Cairo

PROJECT: Sudan SO 200514			
	Previous Budget	Revision	New Budget
ODOC (US\$)	26,755,288	-2,593,626	24,161,662
DSC (US\$)	4,538,851	0	4,538,851
ISC (US\$)	2,190,590	-181,554	2,009,036
Total WFP Cost (US\$)	33,484,728	-2,775,179	30,709,549

TYPE OF REVISION

Additional DSC
 Reduction ODOC
 Extension in time
 Other

NATURE OF REVISION:

A budget revision to **Special Operation 200514 “Provision of Humanitarian Air Services in Sudan”** is proposed with a reduction in the budget of **US\$2,775,179**. The budget revision will realign the initially estimated costs of air operations to the actual costs for operations in 2013.

BACKGROUND:

1. The combination of conflict, large-scale population movements and poverty make Sudan one of the most complex political and economic environments in which the humanitarian community operates.

2. In 2013, humanitarian programs are targeting 4.4 million people in different regions of Sudan who are in need of humanitarian assistance. The majority, approximately 3.4 million, are in Darfur, while an estimated 695,000 people are in South Kordofan and Blue Nile states, 142,000 are refugees, 45,000 people are of South Sudanese origin waiting for return from Khartoum, another 38,000 people are of Sudanese origin recently returned from South Sudan, and finally approximately 40,000 returnees from the Abyei region. Priorities for humanitarian assistance amongst these beneficiaries have been identified as the following: food assistance, livelihoods opportunities, water, sanitation and health services and security/protection.¹
3. With the limited infrastructure, insecurity and vast distances in Sudan, surface transport remains extremely dangerous limiting access to beneficiaries. As a result, air transport is the only secure transport option for the humanitarian community.
4. To date there are no international or domestic air carriers operating within Sudan in compliance with the International Civil Aviation Organization (ICAO) standards, and United Nations Aviation Standard (UNAVSTAD) both of which regulate the safety of international civil aviation.
5. UNHAS is managed by WFP on behalf of the humanitarian community. The interests of the humanitarian community are represented by a User Group Committee (UGC). The Terms of Reference for the UGC are limited to administrative matters and include making decisions on the destinations to be served and weekly flight schedule, ensuring compliance with established procedures for the safe and efficient handling of passengers and cargo as well as dealing with matters relating to the quality of service. Due to the complexity of the mission, a Steering Committee (SC) was established in addition to the UGC, to endorse overall strategy, rules and the budget scheme of WFP/UNHAS. The SC is responsible for establishing administrative policies and issuing administrative directives detailing eligibility and priority of passenger and cargo on the WFP/UNHAS aircrafts, ensuring compliance with WFP management and operational policies and procedures, forecasting future usage and requirements and timely settlement of dues to WFP.
6. More than one hundred users organizations comprised of UN agencies, NGOs and diplomatic missions rely on WFP/UNHAS to implement and monitor humanitarian activities in Sudan. Since 1 January to the end of February 2013, WFP/UNHAS fleet flew a total of 950 hours transporting 6,717 passengers and 45 metric ton of light humanitarian cargo. Within the same time period, WFP/UNHAS also performed eight medical evacuations.

JUSTIFICATION FOR THE REVISION:

7. Continuation of timely and effective humanitarian response continues to be one of the Humanitarian Country Team's (HCT) strategic priorities in 2013.
8. Insecurity, poor infrastructure, long distances² and the lack of safe and reliable air transport providers make the continued presence of WFP/UNHAS in the country essential to the Humanitarian Community at large.
9. Given the context of a large-scale complex emergency, harsh environment and limited access in Sudan, WFP/UNHAS remains flexible and regularly reviews its fleet size; configuration and costs in order to satisfy the air transport demand and ensure the most cost effective operations.
10. The current operational fleet consists of 7 aircraft (one Dash 8-300, one PAC-750, one EMB-135 and four MI-8 helicopters) based in Khartoum, Nyala, Fasher and Genina providing service to at least 60 locations. The Dash-8-300 and EMB-135 aircraft provide air shuttle services from Khartoum to the three Darfur state capitals; the light fixed-wing aircraft provides passenger air transport from the hubs to remote locations with short airstrips; while the fleet of helicopters facilitates humanitarian access to areas in Darfur that cannot be reached by road, either due to insecurity or poor road conditions, as well as to areas with limited landing facilities for fixed-wing aircraft.

¹ Taken from the Sudan Work plan 2013

² A comparative example captures difficulties that are encountered in travel across Sudan: A trip from the capital Khartoum to West Darfur is 2.30 hours by air or at least 2 weeks by road.

11. The actual air charter rates of the four helicopters have proven to be lower than initially estimated in December 2012 during the original project approval process. Therefore the rates are being reduced through this budget revision. The budget revision is also catering for the decrease of the Minimum Guaranteed hours for the four helicopters and the ERJ-135 aircraft; an increased in the Crew Accommodation, Meals and Transport (AMT) component due to the implementation of a new WFP/UNHAS schedule that requires additional daily crew costs in El-Fasher; and a change in the calculation of the aviation Management Cost Recovery (MCR) rates from US\$50 per hour to 4.5% of contracted hour, which was implemented in January 2013. The budget for the office and the staffing structure for support of the operation remain unchanged. The overall costs review of the above mentioned components results in a budget reduction of **US\$2,775,179**.

12. The objectives of the project will remain as follows:

- To provide safe, efficient and cost-effective inter-agency air transport service for over 150 United Nations Agencies, NGOs and donor organizations providing humanitarian assistance to Sudanese refugees, host populations and IDPs;
- To provide transport for light cargo such as medical supplies, high energy foods and information and communications technology (ICT) equipment; and
- To provide timely medical and security evacuations for the humanitarian community in Sudan.

13. Based on project historical statistics, key performance indicators will be reported at the end of the project and will include the following:

- Number of passengers transported against planned (target: 3,600 – 3,700 passengers per month); Tonnage of food or non-food items transported against requested or planned quantities (target: 25 mt of non-food items per month);
- 100 percent utilization of contracted hours;
- Frequency of and attendance to the SC/UGC meetings (target: monthly); Minutes meeting will be made available;
- The number of United Nations agencies and other humanitarian organizations utilizing the service and number of locations served. Currently more than 100 agencies benefit from this service with regular access to at least 60 locations; and
- 100 percent response to medical and security evacuations duly requested.

All Key Performance Indicators above are linked to WFP’s Strategic Results Framework and are examples of Strategic Objective 1 “Save lives and protect livelihoods in emergencies”.

In the light of the above, this budget revision for a reduction of US\$2,775,179 is submitted for approval by the Regional Director, OD Cairo.

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