

**Niger Special Operation 200520:
Provision of Humanitarian Air Services in Niger**

B/R No.: 01

➤ BUDGET REVISION FOR SOs FOR THE APPROVAL OF THE DED & 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>				
Regional Director,
Project Budget & Programming Officer, RMBP
Chief, RMBP
Chief, OSLT
Director, OSL
Director, RMB
 <u>APPROVAL</u>				
Deputy Executive Director and COO

PROJECT Niger SO 200520	Previous Budget	Revision	New Budget
CD&A (US\$)	6,189,870	7,360,063	13,549,933
DSC (US\$)	586,778	375,638	962,416
ISC (US\$)	474,365	541,499	1,015,864
Total WFP Cost (US\$)	7,251,013	8,277,200	15,528,213

TYPE OF REVISION

Additional DSC
 Additional CD&A
 Extension in time
 Other

NATURE OF REVISION:

This budget revision seeks to extend Special Operation 200520 in time for 12 months with a subsequent total budget increase to ensure the continued provision of air transport services to the humanitarian community in Niger until 31 December 2014 and to accommodate for increased costs in the second part of November and December 2013. Details of cost component increases are as follows:

	Year 2013 US\$ Initial	Year 2013 US\$ Revised	Year 2014 US\$	Total Revised budget US\$
CD&A	6,189,870	6,825,707	6,724,226	13,549,933
DSC	586,778	586,778	375,638	962,416
ISC	474,365	518,874	496,990	1,015,864
TOTAL	7,251,013	7,931,359	7,596,854	15,528,213

BACKGROUND:

1. WFP first established its United Nations Humanitarian Air Service (UNHAS) Special Operation (SO) in 2008 to complement humanitarian efforts in response to challenges posed by the deteriorating security across northern and eastern parts of the country. This particular UNHAS Special Operation aims at providing access for humanitarian staff to reach beneficiary locations through a safe, reliable, and cost-efficient air transport service. Over the years, the Nigerien population has suffered from food shortages, rebel attacks, and terrorist activities in different parts of the country by self-identified groups such as Boko Haram from Nigeria, Al-Qaeda in the Islamic Maghreb (AQMI), and other rebel groups from Chad, Mali, and Libya.
2. Humanitarian interventions have increased considerably in Niger since 2010, when the country was hit by a food and nutrition crisis which necessitated significant scale-up in food and health projects. Currently, it is estimated that some 2.9 million people in Niger are food-insecure¹. Additionally, the conflict in neighbouring Mali and the deportation of Nigeriens from Nigeria in early 2013 have resulted in an influx of people into Niger. In response to this crisis, humanitarian activities are continuing, but insecurity and poor infrastructure make land transportation impracticable for prompt implementation of humanitarian projects in affected areas. UNHAS operations have been vital during this period and continue to play an integral part in overall humanitarian objectives in Niger.
3. Operating out of Niamey, UNHAS provides air services to seven destinations within Niger and periodically, between Niger and Mali to facilitate the movement of humanitarian actors running trans-border projects between the two countries. Currently, more than 80 humanitarian entities rely on UNHAS flights to implement and monitor their projects.
4. The current Special Operation was established for 12 months (1 January - 31 December 2013), with an original budget of **US\$ 7,251,013**. This budget revision is required to extend the project into 2014 and to accommodate significant increases in certain operational expenses in the second part of November and December 2013, such as increased costs related to Jet A1 (aviation fuel), navigation charges and handling fees.

JUSTIFICATION FOR THE REVISION:

5. This budget revision to continue the provision of air services in order to facilitate humanitarian staff travel to various locations in Niger is deemed necessary due to the following factors:
 - a. Continuous Need for Humanitarian Assistance:

The humanitarian crisis in Niger persists. Following the crisis in Mali, over 53,000 displaced people are residing in Niger with the large majority settling in regions hardest hit by the nutrition and food security crisis. Approximately 2.9 million people are considered food insecure and the country struggles with an outbreak of cholera.² A recent flooding has affected 75,000 people, including some 6,600 families, whose houses collapsed³.

¹ Global Emergency Overview, ACAPS, 23-30 September 2013

² Global Emergency Overview, ACAPS, 23-30 September 2013

³ Reliefweb

b. Lack of Alternate Means of Transport:

Vast distances and undeveloped road infrastructure in Niger make overland travel to beneficiary populations impracticable for humanitarian actors. However, there are no safe and reliable air service providers in the country that meet international standards to serve as an alternative. Furthermore, insecurity remains of grave concern in the country and the entire sub-region, with reported incidents of suicide bombings and kidnappings of humanitarian aid workers linked to Al-Qaeda. Road travel is extremely dangerous, especially in the northern part of the country, and travel in vehicle convoys is mandatory from Niamey to the two regional capitals of Tahoua and Agadez, if at all possible. Therefore, the whole humanitarian community relies on UNHAS to access people in need.

c. Increased Demand:

Responding to various requests from humanitarian actors including UNHCR, UNHAS Niger is expanding its services into Telemces in the Tahoua region and increasing the frequency of flights to Diffa. This route expansion has been approved by the User Group Committee. In early 2012, the humanitarian community in Mali requested UNHAS Niger for flights from Niamey to Mopti, Gao, Menaka, and Kidal in Northern Mali to create a link for humanitarians between the two countries. This strategic link is covered periodically and catered for under this budget revision. It is expected that approximately 30 percent of budget requirements (amounting to US\$2,480,000) will be generated from cost recovery. The rest of the project's funds will be raised from donor contributions.

d. Increased Operational Costs:

The 2013 budget was prepared with the data available in 2012. The increased costs following the reorganisation of the civil aviation system in Niger were not anticipated. In this regard the budget revision factors in operational changes between 2012 and 2013. In 2013, the following costs were increased; Jet A1 fuel (6%), navigation charges (19% on the international airports and 10% on the domestic airports), Civil Aviation Authority over-flight fees (50%), and handling fees (22%). The total cost increase amounts to US\$ 680,346 in 2013 and US\$ 7,596,854 in 2014.

6. From January to August 2013, the service transported approximately 10,400 passengers and more than 24 mt of light cargo. The project SO started with one 19-seater LET-410 and one Dash 8 aircraft. However, since early July UNHAS Niger is operating with one 37-seater Dash 8 only. This aircraft type will be sustained under the period of the revision. Provision has also been made for a back up Beechcraft 1900 for the operation during prolonged maintenance of the Dash 8.
7. The objectives of the SO are:
 - a. To provide access to affected populations through the provision of safe, efficient, and effective inter-agency air transport services to United Nations agencies, non-governmental organizations (NGOs), and donor organizations;
 - b. To transport 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 cargo services; and
 - c. To carry out safe and timely security and medical evacuations upon request.
8. The operation will continue to be monitored in line with the following key performance indicators:
 - Number of passengers transported against planned (target: 1,500 passengers per month);
 - Tonnage of cargo (non-food items) transported against planned (target: 5 mt per month);
 - Percentage utilization of contracted minimum guaranteed hours (target: 100 per cent);
 - Aircraft occupancy rate (target: 75 per cent);
 - Frequency of Users Groups meetings organised (target: monthly);
 - Percentage requests of medical and security evacuations fulfilled (target: 100 per cent).

Additionally, a new measurement framework is currently being developed by WFP Aviation to capture UNHAS performance in a more tangible fashion. The tool aims at indicating the value-for-money of various UNHAS operations across different regions by quantifying each operation's effectiveness, level of access provided, and cost-efficiency. The benefits of this initiative will be

incorporated into the standard report at the end of 2014.

The specifics of the implementation of this project will be reviewed and tailored to changing realities on the ground and according to the needs of the humanitarian community.

In the light of the above, this budget revision for extension in time for twelve months, until 31 December 2014 with a subsequent budget increase of US\$ 8,277,200 is recommended for approval by the Deputy Executive Director and COO.

DISTRIBUTION:

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ANNEX

UNHAS Niger Routes, 2013

