

Project Country, Number/Title:	Georgia, PRRO 10787.0, Assistance and Capacity Building to Conflict-Affected Populations
Number of beneficiaries:	130,000
WFP food tonnage:	25,126 mt (17,139 mt food and 7,987 mt cash commodity)
WFP food cost:	US\$ 13,386,173
Total cost to WFP:	US\$ 22,181,915
Duration:	1 July 2009 - 30 June 2011

## EXECUTIVE SUMMARY

Since its creation as a Republic in 1991, Georgia has faced dissent from two separatist regions: South Ossetia and Abkhazia. In August 2008, tensions flared into military conflict over South Ossetia. The conflict created a livelihood crisis for some 130,000 people living in and around the conflict areas. Combined with the impact of the global financial crisis, this situation has contributed to a nationwide socio-economic downturn. Thus, the economy, which had moved forward at an unprecedented rate over the past five years, is now in a precarious position.

As a result, WFP will extend operations in Georgia for a further 24 months under a new PRRO, rather than hand over its operations to the Government by the end of 2008/early 2009, as originally planned. The new PRRO 10787.0 will support a smooth transition from emergency relief to livelihood creation and restoration (SO3), and prepare for a hand-over of operations to the Government (SO5) in 2011<sup>1</sup>. WFP will also continue its food assistance programmes to HIV/AIDS and tuberculosis patients (SO4). The PRRO includes support to highly vulnerable IDPs from the 1992 conflict, in line with the Joint Needs Assessment (JNA) and the Government's national IDP Plan, including urban poor, and in Abkhazia vulnerable children and farmers. The PRRO supports a reduction in poverty and hunger (MDG1).

The PRRO strategy has been guided by the inter-agency Joint Needs Assessment (JNA) of October 2008, which identified an active role for WFP in the recovery process. The 2009 Food Security, Nutrition and Livelihoods Assessment further underscored the need for continued WFP support. Food security has been jeopardised in areas affected by the conflict due to population displacement, the loss of agricultural assets and the widespread disruption to livelihoods.

The PRRO has two components: 1) relief to maintain adequate food consumption among vulnerable households and restore or prevent a loss of assets, and 2)

<sup>1</sup> SO 3: Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations. SO 4: Reduce chronic hunger and under nutrition. SO 5: Strengthen the capacities of countries to reduce hunger.

recovery to improve food production through the creation and rehabilitation of agricultural assets. Food assistance will be provided through the modalities of general food distributions and food for work (FFW)/cash for work (CFW).

The PRRO will see WFP phasing down its presence in Georgia by 2011, handing over activities to national and district government, while contributing to the development of strategic directions in the areas of food security and nutrition. Moreover, over the course of the PRRO, WFP will continue to build capacity on emergency preparedness through district-level food security working groups, while deepening its relationship and support to the Ministry of Agriculture, the Ministry of Labour, Health and Social Affairs and the Ministry of Refugees and Accommodation.

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## 1. SITUATION ANALYSIS AND SCENARIOS

### 1.1.1 Political and Security Context

1. Since its creation as a Republic in 1991, Georgia has faced ongoing dissent from two separatist regions: South Ossetia in the North and Abkhazia in the West. The 1992 conflict over Abkhazia and South Ossetia led to the establishment of an international peace-keeping presence in Abkhazia, and the deployment of Georgian and Ossetian peacekeeping contingents in South Ossetia.<sup>2</sup>
2. On 7 August 2008, increasing tensions flared into open hostilities. The conflict began in South Ossetia, where fighting between Georgian and Ossetian forces escalated as Russian troops entered Shida Kartli and Western Georgia. This resulted in the displacement of some 130,000 people. By 12 August 2008, a six-point peace agreement was reached, with Russia agreeing to withdraw from Georgian territory, while retaining troops in both “break-away” regions. The withdrawal of Russian troops during October 2008 from the area adjacent to South Ossetia allowed 100,000 people to return home (while some 26,000 people could not do so). This area is now called the ‘adjacent area’. The situation remains unresolved and highly volatile. At present, there is no access to South Ossetia from Georgia. Therefore, the resident population inside South Ossetia is not covered by this PRRO. However, should access be granted, WFP will immediately resume operations in this area.
3. This document follows official Georgian definitions. The region of Shida Kartli encompasses South Ossetia and the adjacent area. The town of Gori is the capital of Shida Kartli.

### 1.1.2 Social and Economic Context:

4. Georgia has a population of 4.4 million.<sup>3</sup> It is ranked 96th out of 177 countries in the Human Development Index; gross national income (GNI) per capita is US\$2,120. A marked improvement in living standards was recorded in a World Bank Study<sup>4</sup> in mid-2008; the improvement resulted from an array of reforms leading to political, social and economic transformations.
5. Despite these positive trends, approximately 23.6 percent of the population still lives below the poverty line, with 9.3 percent below the extreme

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<sup>2</sup>The “old caseload” IDPs are 220,000 officially registered people from the 1992 conflict over Abkhazia and South Ossetia. They receive small monthly stipends. Approximately 100,000 live in 1,600 collective centres throughout Georgia.

<sup>3</sup> According to the UNIFEM Gender Profile, 51 percent of the population is female. Georgian society is traditional, with well-defined roles for men as breadwinners and women as child bearers. Only a third of young women are economically active, mostly in the informal sector.

<sup>4</sup> Georgia Poverty Assessment, World Bank, June 2008, Report 4440-GE.

poverty line.<sup>5</sup> The link between rural poverty and hunger has been thoroughly mapped in the 2007 Community Vulnerability Atlas<sup>6</sup> and is underscored by problems of food access and utilisation. Underlying factors include small landholdings, with over 60 percent of small holders cultivating less than 0.5 hectares, difficulties in marketing and unemployment. In addition, the events of August 2008 changed the conditions of a booming economy, and the World Bank estimates that the 2008 crisis may cause an additional 100,000 to 280,000 people to fall into poverty; this is an overall increase from approximately 24 to 30 percent of the population.<sup>7</sup>

6. This trend in increased poverty and hunger will affect rural areas most severely. Approximately 60 percent of the poorest people live in rural areas. The majority of rural workers are self-employed and most are women. Agriculture is the main livelihood of the country, and is largely subsistence in nature, accounting for 55 percent of total employment, but only 9 percent of GDP. Incomes in the agricultural sector did not increase overall from 2003 to 2007 and remain much lower than incomes in the rest of the economy. An export embargo with Russia since September 2006 has restricted markets for small farmers in the adjacent area.
7. Since 2003, social assistance has become an increasingly important lifeline for Georgia's poor. The main Government poverty-reducing measures are pensions and a targeted social assistance (TSA) scheme.<sup>8</sup> The TSA programme was introduced in November 2006 (with World Bank support) and accounts for one third of the income of the bottom quintile of income distribution. Approximately 10 percent of the population receives this cash support, in addition to free medical services.
8. Georgia has a low prevalence of HIV/AIDS, with a rate of 8 per 100,000 inhabitants. However, its proximity to Russia where, during 2008, new HIV cases more than doubled, is raising concerns. In 2002, Georgia registered 93 cases; by 2008 the number reached 351. On the positive side, the tuberculosis prevalence rate has fallen from 96 per 100,000 inhabitants in 2002 to 60 per 100,000 inhabitants in 2008.

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<sup>5</sup> The Government states minimum 2008 per capita subsistence as 113 GEL per month. The World Bank estimates 71.6 GEL for the poverty line and 47.1 GEL as the absolute poverty line in its 2008 Georgia Poverty Report.

<sup>6</sup> Georgia: Community Vulnerability Atlas, November 2007.

<sup>7</sup> World Bank 2009, p1

<sup>8</sup> TSA is relatively new and faces both inclusion and exclusion problems; see draft report of the 2009 Safety Net Mission. Stipends are 30 GEL (USD \$18) per month for the household head and 24 GEL (USD \$16) for each additional household member.

### 1.1.3 Global Financial Crisis and related impact<sup>9</sup>

9. A rapid acceleration of the global financial crisis has led to deep recession in the world's most advanced economies. In Georgia, the combined impacts of the financial crisis and the conflict have reduced economic growth, which is expected to fall from 12.4 percent in 2007 to 2.5 percent in 2009.<sup>10</sup>
10. The main cause of the reduced economic performance is a drop in foreign direct investment; foreign direct investment has been the principal force for economic growth in Georgia during the past five years. Remittances make up 7 percent of Georgia's GDP and are also likely to decrease this year. The World Bank's 2008 estimate of the rise in the incidence of extreme poverty from 9.3 percent to as much as 13.4 percent raises concerns for food security and is likely to translate into increased hunger.
11. There are, however, some positive signs: a generous donor response to the conflict recovery phase saw US\$4.5 billion pledged over a three-year period.<sup>11</sup> Approximately half is through loans. This pledge has enabled the Government to increase expenditures on social protection, education and refugees from US\$1.92 to US\$2.2 billion. The Government has planned a considerable fiscal stimulus package and the banking sector has demonstrated an unexpected resilience to external shocks.

### 1.1.4 The Food Security and Nutrition Situation

12. Approximately 138,000 people were displaced from the conflict zone and surrounding areas in August 2008. It is estimated that 100,000 people returned to their homes in the adjacent area, 36,000 of whom are food-insecure. This area is primarily rural; the chief economic activity is small-scale horticulture. De-mining activities are ongoing but there remain a number of communities at risk to explosive remnants of war (ERWs).
13. Approximately, 30,000 IDPs (the "new caseload") were unable to return to their homes, 19,000 of whom have been relocated to resettlement areas. This group of people received basic shelter and small plots of land, but must begin their livelihoods from scratch. The remaining IDPs are either in urban collective centres (CCs) (7,000 people), i.e. accommodation provided by the Government, or with host families (4,000 people). This group has lost their rural livelihoods and many lack the necessary skills for urban (non-farming) employment.
14. WFP's September 2008 **Emergency Food Security Assessment**<sup>12</sup> analysed the impact of the conflict on the food security of affected communities. It focused on the urgent needs of food or income transfer to address hunger among targeted vulnerable groups in winter. Shocks included the significant

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<sup>9</sup> Internal analysis

<sup>10</sup> Basic Data and Directions 2009-12, Government of Georgia.

<sup>11</sup> October 2008 Brussels Conference

<sup>12</sup> Caucasus Conflict, Emergency Food Security Assessment, WFP Georgia, September 2008

loss of productive assets and loss of income from the 2008 fruit and field crop harvest.<sup>13</sup> The report highlighted an urgent need for irrigation in the adjacent area, where the water supply, located mainly in South Ossetia, was prevented from flowing to farm lands and orchards.

15. The October 2008 Joint Needs Assessment (JNA) highlighted WFP's potential role in the sectors of social protection, agriculture and livelihoods from 2008 to 2011. In February 2009, a follow-up inter-agency food security, nutrition and livelihoods (FSNL) assessment<sup>14</sup> updated the situation of the populations affected by the August 2008 conflict and recommended a series of response interventions.
16. The assessment focused on three groups of conflict-affected people: IDPs in settlements; IDPs in collective centres; and conflict-affected people in the 'adjacent area'. It concluded that the provision of food assistance has met caloric needs and prevented an increase in malnutrition levels. Dietary diversity, however, appeared to be poor. Between 50 and 70 percent of respondents reported that they did not eat meat and had limited access to dairy products and fresh fruit and vegetables.
17. Cash transfers were recommended as the most appropriate way to improve dietary diversity and have already been successfully implemented from February 2009. Monitoring demonstrates that beneficiaries receiving cash transfers are purchasing a broader range of food products from local markets. These include meat, dairy products and vegetables, which are vital in order to reduce the risk of malnutrition and disease. Restoring livelihoods is the highest priority for all three conflict-affected groups. The conflict disrupted the harvest, causing residents in the adjacent area to lose their main sources of income. The quality of land plots for new settlements varies; not all can be used for horticulture. The collective centres are located in urban areas without access to land for farming. The February 2009 assessment confirmed that WFP should continue providing food assistance linked with livelihood programmes, in line with the recommendations of the JNA, to meet the needs of conflict-affected groups.

## 1.2 Scenarios

18. Best-case scenario: the present situation improves. Productivity in the service sector increases, Georgia strengthens its position as an energy corridor, and investments in the under developed rural sectors of the economy increase. As a result, GDP grows, moving Georgia from a lower middle-income to an upper-middle income country.

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<sup>13</sup> This analysis was supported by the FAO Agricultural-based Livelihoods Assessment and Rehabilitation Programme Formulation Mission of October 2008.

<sup>14</sup> Food Security, Nutrition and Livelihoods Assessment, Georgia: WFP, FAO, UNICEF Feb-March 2009

19. Most likely scenario, on which this PRRO is based: the situation remains largely unchanged. The Government manages, with assistance from the donor community, to offset the worst impact of the global financial crisis, although the economy dips slightly from the pressures of reduced exports, foreign investments and remittances. Tensions over the break-away regions do not escalate into conflict, and WFP is able to handover its relief and recovery activities within two years. However, a minimal WFP presence may be considered beyond the two years to monitor food security and safety nets for vulnerable people.
  20. Worst-case scenario: A renewed outbreak of conflict deepens the downturn in investment. This, coupled with the impact of the financial crisis, further undermines the economy and severely strains the Government's capacity to respond to conflict-related needs, and increases poverty, unemployment, and social unrest. The international community may be unable or unwilling to respond with the same level of financial support as in 2008.
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## 2. POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT AND OTHERS

### 2.1 Policies, capacities and actions of the Government

21. The Government responded quickly to the 2008 conflict. More than 19,000 IDPs received new houses in 38 new settlements, largely located in the adjacent area. Small plots of land, averaging 0.5 hectare, are being distributed to newly settled IDPs. IDPs also receive limited assistance for gas, electricity and water usage. The Government has recently updated its national IDP strategy to include durable solutions for all IDPs.<sup>15</sup> Old caseload IDPs will now receive support to improve housing conditions.
22. The Government has made a substantial contribution to WFP's food-for-work (FFW) projects since 2006 by providing all non-food items (NFIs). District and regional authorities are key partners for WFP. Food security working groups (FSWGs) have been established in 28 districts, with WFP's support, to build a community atlas of food security indicators and to develop district strategies to address the needs of food insecure, small-scale farmers.<sup>16</sup> Challenges to the process include a high turnover of Government staff and management difficulties, although the process is functioning in the majority of districts. Several FSWGs organized IDP registration and coordinated humanitarian assistance activities in their districts.

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<sup>15</sup> This includes the 'old' caseload of IDPs and officially gives IDP status to the 'new' caseload.

<sup>16</sup> See Jeffrey S. Klenk, December 2008, 'Strengthening National Institution's Capacity in Georgia in Prevention, Preparedness and Responding to Food Emergencies' and Dr. Andrea Jost, 'Promotion of Development Strategies for Small Rural Landholders at District Level, August 2006.'

## 2.2 Policies, capacities and actions of other major actors

23. FAO, UNHCR and UNICEF are key UN Country Team (UNCT) counterparts on issues related to hunger, particularly for joint assessments and complementary (non-food) resources. FAO is an important partner for FFW/CFW projects. UNDP, WHO and UNFPA also engage with WFP on hunger-related issues.<sup>17</sup>
24. Four key partners with extensive experience in food emergencies are World Vision International (WVI), Save the Children-UK (Save-UK), CARE and IOCC (International Orthodox Christian Church). WFP worked successfully with all four organizations during the August 2008 conflict.
25. Major donors have contributed to WFP operations in Georgia, with a continued strong focus on livelihood recovery activities. WFP will continue to work with traditional and new donors to seek their support for this operation and ensure a smooth implementation of a hand-over of food security activities to the Government. The Global Fund has made a commitment to support the food assistance component of the PRRO for tuberculosis and HIV/AIDS activities through to March 2010.

## 2.3 Coordination

26. Food Security and Logistics Clusters were established at the outset of the August 2008 emergency. Clusters will continue through to June 2009, after which there will be a review of overall coordination needs. The Food Security Cluster includes agricultural activities and rural livelihoods and is co-chaired by WFP and FAO.
27. The UN joint programme for Abkhazia was delayed by the 2008 conflict but will resume in mid-2009.

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## 3. OBJECTIVES OF WFP ASSISTANCE

28. PRRO 10787.0 is aligned with WFP Strategic Objectives (SO) 3, 4 and 5<sup>18</sup> and addresses MDG 1 to eradicate extreme poverty and hunger.

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<sup>17</sup>FAO complements CFW projects with seeds, fertilizers, technical expertise, etc. WHO and UNAIDS are the leading agencies for TB and HIV-related issues.

<sup>18</sup>SO 3: Restore and rebuild lives and livelihoods in post-conflict, post-disaster or transition situations. SO 4: Reduce chronic hunger and under nutrition. SO 5: Strengthen the capacities of countries to reduce hunger.

29. The objectives of the PRRO are to:
- (i) maintain adequate food consumption among targeted IDPs and other vulnerable households (SO3)
  - (ii) create and restore assets to ensure the sustainability of the livelihoods of conflict-affected populations (SO3).
  - (iii) improve the compliance and treatment rate of tuberculosis and HIV/AIDS patients (SO4).
  - (iv) achieve progress towards nationally owned hunger solutions, including hand over of the programme to the Government in mid-2011 (SO5).
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#### 4. WFP Response Strategy

##### 4.1 Nature and effectiveness of food-security related assistance to date

30. The country office has been implementing FFW projects since 1999. Regular monitoring shows 90 percent of communities reporting increased production from FFW interventions in 2008 and 90 percent maintaining newly created assets.
31. FFW rehabilitation activities have enabled landless people to access land. These people were given priority in the allocation of land when uprooted, unused tea plantations were privatized in the west of the country.
32. WFP has been involved in cash transfers to support food assistance since 2005. Two successful cash pilots, in 2005-06 and 2007-08, demonstrated that cash transfers are an appropriate tool for Georgia in the light of good overall food availability.<sup>19</sup> The country has well-developed banking and ATM systems, making cash transfers feasible, transparent and secure. Led by WFP, with UNICEF and UNHCR, direct food and cash transfers have been successfully provided to 28,000 IDPs from February to April 2009.
33. Since 2005, WFP has complemented WHO and UNAIDS health programmes through food packages to highly vulnerable tuberculosis and HIV patients.<sup>20</sup> The purpose is to provide incentives to patients to complete treatment programmes. The treatment adherence rate of tuberculosis patients in selected health clinics increased from 73 to 91 percent as a result of WFP's support.
34. WFP Georgia has been building an emergency response preparedness framework, defining possible threats and identifying the functions necessary

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<sup>19</sup> See Concept Note on CFW Pilot, 2007

<sup>20</sup> While there is no data on the nutritional status of highly vulnerable TB/HIV patients, a 2006 WFP snapshot revealed 60% of ART patients are food insecure.

to respond to an emergency. In 2007, the Ministry of Agriculture (MOA) was given responsibility for developing a national emergency response plan for food and water supply. The MOA has recently approached WFP for assistance in this area.<sup>21</sup>

## 4.2 Strategy Outline

35. WFP's programme strategy has been informed by the 2008 JNA and has been strengthened by the 2009 FSNL Assessment, the recent study on social safety nets systems, and the evaluations of two cash transfer pilots.
36. The relief component aims to maintain adequate food consumption and prevent a loss of assets through the distribution of food in sufficient quantity and quality to cover basic food needs. This component targets IDPs, newly resettled populations, and vulnerable, food insecure people currently unable to work in the 'adjacent area' (the area adjacent to South Ossetia vacated by Russian troops). An estimated 5,000 particularly vulnerable people in urban areas will also be assisted through WFP-supported soup kitchens, and 1,400 highly vulnerable children in Abkhazia will receive relief food support through a voucher system for use at school canteens.<sup>22</sup>
37. The recovery component aims to improve food production capacity through the creation and rehabilitation of agricultural assets, while ensuring that immediate food requirements are met. The target group will include resettled IDPs and people in the 'adjacent area'. The old-caseload IDPs and subsistence farmers in conflict-affected rural communities will also be targeted. The tools employed will consist mainly of FFW and CFW, which will be selected through community consultations, including the views and preferences of women, the degree of functioning of markets, and the overall feasibility of cash transfers. WFP's policy of giving priority for the control of cash cards to women will continue.
38. Highly vulnerable people receiving medical treatment for tuberculosis and HIV/AIDS will also receive food as an incentive to complete their full courses of treatment.
39. Logistics: WFP will continue to provide the logistics services requested by the humanitarian community through Special Operation 10769.0 on a cost-recovery basis.

## 4.3 Handover Strategy

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<sup>21</sup> Prior to August 2008, WFP had prepared an action plan to build government capacity to respond to food emergencies through an ISP grant

<sup>22</sup> School canteens, operated by World Vision International, are used as a distribution channel. The most vulnerable children, largely from returnee families to Abkhazia, will be given vouchers while other children purchase vouchers. The food ration will be supplemented by income from communities through income-generation projects.

40. WFP plans to hand over operations to national and district Government authorities in 2011, while contributing to the formulation of strategic approaches in food and nutritional security and social protection, including contributions to the 2010 United Nations Development Assistance Framework (UNDAF).
  41. WFP capacity building support is planned for three areas: 1) sustainable food security monitoring; 2) strengthened capacities for market analyses, focusing on food safety standards and primary/secondary food production; and 3) development of a national food security and nutrition strategy in line with the national AIDS response and national HIV nutrition guidelines. Initiatives in these three areas will include consultations with key stakeholders and will improve information sharing, food security and nutrition analyses, and coherence with policy and planning functions.
  42. WFP participation in the 2010-2015 UNDAF will ensure that it reflects the issues related to household food security and social protection identified in the 2008 JNA.<sup>23</sup> Three main areas have been agreed for the UNDAF: linking poverty and the financial crisis, democratic governance, and disaster risk reduction (DRR). WFP will work towards streamlining the Disaster Risk Reduction (DRR) strategy into all national policies and plans. An extensive DRR strategy was developed for WFP's exit from the region in early 2007, components of which will be drawn upon during WFP's handover in 2011.<sup>24</sup>
  43. The operational handover strategy will include monitoring of a series of triggers such as key macro-economic indicators, livelihoods recovery for the 2008 conflict-affected communities and regional/country political and security contexts.<sup>25</sup>
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## 5. BENEFICIARIES AND TARGETING

44. A total of 130,000 individuals will be targeted over two years. Targeting criteria for beneficiaries are explained in Annex V.

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<sup>23</sup> The JNA is being updated to incorporate the effects of the 2008 conflict and to better estimate the impacts of the global financial crisis on the economy and its recovery.

<sup>24</sup> Exit Strategy Development for WFP in the South Caucasus, Helmut Scheuer, Feb 15<sup>th</sup> 2007.

<sup>25</sup> Macroeconomic indicators will be monitored by Government with the support of the World Bank and linked with the JNA. Conflict and security indicators are monitored by the UN, EU, and OSCE.

Table 1: Beneficiaries by Category

Category	Beneficiary Type	Number		
(i) Relief Component: Food Distributions	New IDPs (2008)	30,000		
	Food insecure in urban and adjacent areas	15,000		
	Vulnerable children in Abkhazia	1,400		
Sub-Total		46,400		
(ii) Recovery Component: Food for Work/Cash for Work	New IDPs Vulnerable in the adjacent area Old IDPs (1992) Food insecure hosting communities Food insecure farmers in Abkhazia	FFW	CFW	
		5,000	15,000	
		19,000	7,000	
		6,000	15,000	
		5,500	5,500	
	12,000	0		
	Food/Cash Assistance	TB patients	13,000	
		TB patients in Abkhazia	100	
HIV/AIDS patients		500		
Sub-Total		103,600		
Grand Total		130,000*		

\* Totals do not add up as some people benefit from both relief and recovery components, and are not double counted.

## 5.1 Relief Component

45. The relief component will target 30,000 IDPs and 15,000 highly vulnerable individuals (approximately 5,000 currently served by WFP's soup kitchens and 10,000 food-insecure people living in the adjacent area) with a full food ration. The number of beneficiaries will decrease gradually as livelihood projects (FFW/CFW) are implemented and the first crop of 2009 is harvested.
46. A total of 1,400 highly vulnerable children in Abkhazia will be given vouchers for food rations equivalent to 900 kcals under the relief component (Table 3).

## 5.2 Recovery Component

47. The recovery component will target 103,600 conflict-affected people; 20,000 new IDPs from the August 2008 conflict will be targeted through FFW/CFW, with breaks during the winter months when works cannot be carried out.
48. FFW/CFW will also be available for 11,000 vulnerable families hosting IDPs and 38,000 people in conflict-affected areas (12,000 in Abkhazia and 26,000 in the adjacent area). This will help integrate IDP communities, and reduce tensions between IDPs with access to assistance and poor, rural residents without assistance.

49. FFW/CFW will be offered to 21,000 highly vulnerable 'old'-caseload IDPs. The Government's durable solutions plan will provide or improve housing beginning in spring 2009 and provide land in rural areas from 2010.
50. The tuberculosis and HIV/AIDS assistance programme will continue to benefit 13,600 patients throughout the duration of the operation. This programme is funded through the Global Fund for AIDS, Tuberculosis and Malaria.

Table 2: Breakdown of Beneficiaries and Total Food/Cash Requirements (mt)

Type of Beneficiaries/ Interventions	Benef. Number	No. of days	Wheat flour	Pasta	Veg. oil	Beans	Sugar	Salt	Cash Commodity	Total
<u>Relief</u>										
Transitional food aid for new IDPs	30,000	720	3,852	1,926	385	642	257	64		7,126
Relief food aid for food insecure nationwide	15,000	720	1,908		191	318	127	32		2,576
Relief food support to vulnerable children in Abkhazia	1,400	360	100		4		11			115
<u>Recovery</u>										
Food										
Tuberculosis patients under DOTS	5,200	270			43		93			136
Tuberculosis patients in Abkhazia	100	720	25		2		4			31
HIV/AIDS patients*	500	180		15	6		6			27
Food For Work	47,500	396	6,378		375		375			7,128
Cash										
Tuberculosis patients under DOTS	7,800	450							397	397
HIV/AIDS patients*	500	540							92	92
Cash for Work	42,500	396							7,498	7,498
<b>Total**</b>	<b>130,000</b>		<b>12,263</b>	<b>1,941</b>	<b>1,006</b>	<b>960</b>	<b>873</b>	<b>96</b>	<b>7,987</b>	<b>25,126</b>

\* HIV/AIDS patients provided with food are the same as those served with cash, thus counted only once;

\*\* Overlap between relief assistance and FFW/CFW for 'new' IDPs - 20,000 beneficiaries, are excluded from the overall total for the operation.

## 6. NUTRITIONAL CONSIDERATIONS AND FOOD BASKET

51. Current PRRO interventions have contributed to maintaining food security and have prevented deterioration in levels of nutrition.
52. Household expenditure patterns of the target population are similar to low-income countries, with a greater proportion of household budgets spent on food (60-70 percent).<sup>26</sup> In essence, the carbohydrate-heavy diet meets caloric requirements, but dietary diversity is problematic. This was

<sup>26</sup> Georgia: Community Vulnerability Atlas, VAM, November 2007. p14

revealed in the 2009 FSNL assessment, which supported the findings of low malnutrition levels, and found an unexpectedly high level of child obesity among IDPs residing in collective centres.

53. As a result, WFP is providing cash transfers, where possible, to enable households to purchase complementary foods required for a balanced and diverse diet. Ongoing post-distribution monitoring (PDM) for direct cash transfers demonstrate that people use the cash to purchase fresh foods and animal proteins.
54. Due to market disruptions and the high price of food in conflict-affected areas, the relief component provides dry take-home rations throughout the period of the PRRO, at a full ration, equivalent to 2,085 calories per person per day. The ration is nutritionally balanced, providing 13 percent protein and 17 percent fat.<sup>27</sup>
55. In collective centres without baking facilities, bread will be supplied instead of wheat flour. IDPs will also receive pasta, for ease of cooking in difficult conditions. WFP will continue to provide food commodities to soup kitchens in towns to assist the urban poor.
56. The average duration of FFW projects is three to four months. The per capita daily ration of 3,618 kcal will be provided to an average of four persons in the family. The rationale is that 1) a maximum of 22 days a month are paid, therefore the ration is higher to enable the coverage of basic food requirements for the three to four month period; 2) activities are labour-intensive<sup>28</sup> and therefore a calorie-dense ration is appropriate; and 3) food commodities are dry rations which can be stored by families beyond the duration of the activity calendar if required. This will enable people to buy much needed agricultural inputs rather than spending limited cash resources<sup>29</sup> on basic food commodities even after FFW activities are finished.
57. The cash value of the family ration is 5 GEL per day.<sup>30</sup> CFW will be compensated at 5 GEL per day, which is the equivalent value of the food basket. One person per household may work for a maximum of 22 days per month, for a total of 110 GEL, in line with the minimum subsistence level of 113 GEL per month.<sup>31</sup>

Table 3: Beneficiaries and Rations per Activity

<sup>27</sup> Per WFP Nutrition guidelines (p.65)

<sup>28</sup> Thus, FFW will engage more men than women. As emphasized by the Gender Evaluation Team in 2007, addressing gender issues should be understood as community-focused interventions, and not merely as counting the number of women as participants.

<sup>29</sup> Average annual HH expenditure on agriculture for 2007 represents 2.1 percent of overall cash expenditures.

<sup>30</sup> Monitoring results found daily and seasonal labor rates vary from 15 GEL in villages near large farms and district centres to 7 GEL in remote villages. The 5 GEL amount was agreed following extensive discussions among implementing agencies and the Government.

<sup>31</sup> See footnote 5.

Type of beneficiaries / intervention	Commodity (g/person/day)						Energy Content (kcal)
	Wheat flour	Pasta	Veg.Oil	Beans	Sugar	Salt	

<u>Relief</u>							
Transitional food aid for new IDPs	300	150	30	50	20	5	2,085
Relief food aid for food insecure nationwide	300	-	30	50	20	5	1,563
Relief support to vulnerable children in Abkhazia	200	-	10	-	22	-	877
<u>Recovery</u>							
Tuberculosis patients	-	-	61	-	133	-	1,072
Tuberculosis patients in Abkhazia	350	-	25	-	50	-	1,646
People living with HIV/AIDS	-	167	61	-	67	-	1,389
Food For Work	850	-	50	-	50	-	3,618

Note: FFW ration is a household ration for 4 family members

## 7. IMPLEMENTATION ARRANGEMENTS

### 7.1 Programme Arrangements

58. The WFP Country Office is well established in Georgia. There are two sub-offices, in Gori and in the port town of Poti, and a liaison office in Sukhumi, Abkhazia.
59. WFP's main Government counterparts are the Ministry of Agriculture (MoA), the Ministry of Refugees and Accommodation (MRA) and the Ministry of Labour, Health and Social Affairs (MoLHSA). WFP intends to implement the majority of activities directly in coordination with local authorities trained under the FSWG. NGOs will facilitate with complementary inputs, such as NFIs or through monitoring and evaluation support.
60. FFW/CFW activities will be based on livelihood profiles. A key priority of the post-conflict period is water management. Irrigation activities will form a critical part of livelihood rehabilitation. Reclaiming land for agriculture, improving soil quality and planting trees as wind belts (a soil protection technique) are additional priorities to improve livelihoods. Promoting tree planting will strengthen WFP's contribution to reducing climate change.
61. WFP will continue working within the framework of the Common Country Mechanism (CCM) of Georgia to implement Global Fund projects on HIV/AIDS and tuberculosis.

### 7.2 Logistics Arrangements:

62. The main point of entry for WFP imported cargo will remain Poti port, with Batumi seaport as a back-up. For onward transportation, food will be delivered by rail to Poti, Gori, Tbilisi and Abkhazia warehouses, and then on to Final Delivery Points (FDPs) for distribution by NGO partners and local authorities. Poti port will also serve as the entry point for WFP operations in Armenia.
63. Commodities will be tracked using COMPAS in Poti, Gori and Tbilisi.

### 7.3 Procurement Plans

64. In-kind contributions are expected to be low. For cash contributions, the aim is to buy commodities regionally/locally, in line with WFP policy. Local procurement will be possible when the Government accepts to finance VAT, including for processed products. Since Georgia is a net importer of wheat flour, procurement of most non-processed foods will take place regionally from Turkey and CIS countries to keep transport costs down.
  65. Where feasible, WFP food is fortified, including locally purchased food.
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## 8. PERFORMANCE MONITORING

66. Standard corporate indicators and project-specific indicators will be collected and analyzed by the country office. An M&E system is established for each programme component; monitoring and reporting activities are regularly undertaken.
  67. A mid-term assessment of the food security situation and an evaluation of the programme will take place in 2010.
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## 9. RISK ASSESSMENT AND CONTINGENCY PLAN

### 9.1 Risk Assessment

68. Critical risks for the PRRO are as follows:

- The worst-case scenario of renewed conflict.
- Civil unrest increases and spreads to a degree that disrupts government capacity and/or interest in continuing assistance programmes.
- WFP programmes and hand-over strategy are subject to changes in government policies for assistance programmes.
- Maintaining donor interest beyond the initial phases of recovery will be important, particularly as donors feel the impacts of the global financial crisis.

### 9.2 Contingency Planning

69. WFP participated in developing the UNCT Contingency Plans for South Ossetia and Abkhazia during June 2008, and in the updates during February 2009. Specific WFP Georgia contingency plans were developed in January 2007.
70. WFP plays an important role in current multi-hazard emergency planning processes, based on proper hazard and risk analysis (probability and intensity). This will create realistic, current planning scenarios.
71. WFP will support the authorities in establishing and strengthening effective systems at national, regional and municipal levels for managing food emergencies. WFP will develop three key elements: the response process, training in rapid assessments, and supply chain management.

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## 10. SECURITY CONSIDERATIONS

72. UN security phases currently range from I to IV in the areas close to the conflict zones. The country office is negotiating with OSCE to buy a used armoured vehicle for the areas in Phase IV, as monitoring at this time is restricted to the availability of UNHCR armoured cars.
73. UN radio rooms, partly financed by the country office, are in Tbilisi and Gori and coordinated by UNHCR. UNDSS (UN Department of Safety and Security) is present, and WFP deploys the country office Field Security Officer as needed. WFP is in compliance with Minimum Operating Security Standards (MOSS)/Minimum Operating Residential Security Standards (MORSS).

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## 11. RECOMMENDATION

The Executive Director is requested to approve the Protracted Relief and Recovery Operation (PRRO) Georgia 10787.0, Assistance and Capacity Building to Conflict-affected Populations.

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Josette Sheeran  
Executive Director

Date: \_\_\_\_\_

## ANNEX IA

### WFP PROJECT COST BREAKDOWN

	Quantity (mt)	Average cost (US\$) per mt	Value (US \$)
<b>COSTS</b>			
<b>A. Direct operational costs</b>			
Cereals (wheat flour)	12,263	270	3,311,010
Cereals (pasta)	1,941	832	1,614,912
Vegetable oil	1,006	1,050	1,056,300
Pulses	960	750	720,000
Sugar	873	460	401,580
Iodized salt	96	131	12,576
Cash in lieu of Commodity	7,987	785	6,269,795
...			
...			
<b>Total commodities</b>	<b>25,126</b>		<b>13,386,173</b>
<b>External transport</b>			<b>832,183</b>
<b>Landside transport</b>			
<b>ITSH</b>			<b>2,247,509</b>
<b>Total LTSH</b>			<b>2,247,509</b>
<b>Other direct operational costs</b>			<b>1,305,065</b>
<b>Total direct operational costs</b>			<b>17,770,930</b>
<b>B. Direct support costs (see table below for details)</b>			<b>2,959,831</b>
<b>C. Indirect support costs (7 percent of total direct costs)</b>			<b>1,451,153</b>
<b>TOTAL WFP COSTS</b>			<b>22,181,915</b>

## ANNEX IB

### DIRECT SUPPORT REQUIREMENTS (*dollars*)

<b>Staff</b>	
International professional staff	
National professional officers	130,194
National general service staff	472,888
Temporary assistance	301,928
Overtime	8,100
Staff duty travel	133,500
Staff training and development	18,600
Incentives	776,322
<b>Subtotal</b>	<b>1,841,532</b>
<b>Office expenses and other recurrent costs</b>	
Rental of facility	259,456
Utilities (general)	42,700
Office supplies	52,200
Communication and IT services	64,600
Insurance	19,500
Equipment repair and maintenance	18,000
Vehicle maintenance and running cost	191,700
Other office expenses	249,143
United Nations Organizations Services	9,500
<b>Subtotal</b>	<b>906,799</b>
<b>Equipment and other fixed costs</b>	
Furniture tools and equipment	
Vehicles	185,000
TC/IT equipment	26,500
<b>Subtotal</b>	<b>211,500</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>2,959,831</b>

ANNEX II	SUMMARY LOGICAL FRAMEWORK
ANNEX III	MAP
ANNEX IV	IMPLEMENTATION TIME TABLE
ANNEX V	TARGETING BENEFICIARIES
ANNEX VI	CONCEPT PAPER: CASH AND VOUCHERS