

## World Food Programme

### Emergency safety net for vulnerable groups affected by high food prices and natural disasters in Bangladesh

<b>Bangladesh EMOP:</b>	<b>10788.0</b>
<b>Number of beneficiaries:</b>	<b>5,000,000</b>
<b>WFP food tonnage:</b>	<b>259,593 mt</b>
<b>WFP food cost:</b>	<b>US\$125,414,182 (including USD 3,000,000 for Cash for Work)</b>
<b>Total cost to WFP:</b>	<b>US\$ 178,812,195</b>
<b>Duration:</b>	<b>9 months: 01 November 2008 to 31 July 2009</b>

#### EXECUTIVE SUMMARY

The dramatic rise in food prices during the last 12-18 months and recent natural disasters, including cyclone Sidr in the southern coastal districts, the rodent plague in south east of the country and recurrent monsoon floods, pose a serious threat to Bangladesh's national food and nutrition security. Although Bangladesh has made significant progress in human development indicators in the last decade, past progress made on Millennium Development Goals on poverty and hunger has already been compromised. The country is at risk of not meeting its Millennium Development Goal targets on poverty, hunger and the reduction of under-5 child mortality.

The increase in prices of basic food commodities and fuel has exposed the poorest segments of society to severe pressure with concerns of a worsening food security in regions with higher concentrations of chronic poverty and food insecurity prior to the shock. According to the recent FAO/WFP Crop and Food Supply Assessment Mission, an additional 7.5 million people have joined the ranks of the hungry because of high food prices, bringing the number of people who consume less than 2,122 kcals/person/day to 65.3 million. A staggering 34.7 million people now consume less than 1,805 kcals/person/day, up from 27.9 million prior to the food price shock.

The depth of food insecurity has also worsened and this is happening at a time when the country is in a political transition. Food expenditures are increasingly dominating household budgets after the price shock and food consumption patterns have changed. Indebtedness is on the rise and education is already being impacted. The poorest of the population are severely food insecure and are spending on average 86 percent of their household income on food. The impact of high food prices will be particularly acute in lean seasons occurring in September-November (such as the *Monga* period in the Northwest of the country) and in March-April, due to chronic lack of employment opportunities for an ultra-poor population whose main livelihood is agricultural or day labour.

The Government of Bangladesh maintains a variety of social safety net programmes designed to address mainly transient food insecurity stemming from shocks. These safety nets are being significantly scaled up with plans to reach up to 68 million people affected by high prices. Some of the most prominent Government of Bangladesh safety net programmes include Vulnerable Group Feeding (VGF), Open Market Sales (OMS), Cash for Work (CFW), Food for Work (FFW) Vulnerable Group Development (VGD) and Gratuitous Relief (GR).

WFP estimates that approximately 56 million of the 65.3 million food insecure population is likely to receive assistance through Government or non-government programmes. This implies that approximately 9.3 million food insecure people are currently without assistance. WFP plans to assist approximately 5 million or 54 percent of this un-covered population through this Emergency Operation (EMOP) including in areas affected by cyclone Sidr, the rodent plague and monsoon floods.

The overall goal of this Emergency Operation is to complement the Government of Bangladesh safety net programmes to alleviate the impact of high food prices and natural disasters through targeted relief assistance; nutrition intervention; school feeding; employment generation and technical assistance to strengthen the capacity of government to design and manage effective safety nets. Targeted relief assistance is designed to meet the immediate food needs of vulnerable groups in high food insecure urban and rural areas. The nutrition intervention is

designed to reduce and/or stabilize acute malnutrition among targeted beneficiaries. School feeding assistance is designed to improve enrolment, attendance and learning by reducing short term hunger in primary schools in remote high food insecure rural areas and in urban slum catchments. Employment generation activities are designed to improve access to food through income transfers using both food-for-work and cash-for-work.

A concept note was submitted to the GoB indicating the caseload to be assisted with details on the activities to be undertaken. All EMOP activities will complement GoB efforts to alleviate the impact of high food prices and natural disasters. The GoB has expressed its strong support for this Emergency Operation and their strong willingness to actively collaborate in its implementation.

The Emergency Operation will be targeted to the most food insecure sub-districts in the country. WFP assistance will be closely coordinated with Government and non-governmental programmes to avoid duplication of assistance. A joint Steering Committee will be established at the central level to coordinate this Emergency Operation. WFP will work with UNICEF and FAO to implement the nutrition intervention activities through a coordinated UN approach.

The Emergency Operation is in line with the recommendations of the Secretary General's High Level Task Force on the Global Food Crisis and the United Nations Comprehensive Framework for Action to assist governments to address the impact of high food prices. It is also in line with WFP Strategic Objectives 1: Saves lives and protect livelihood in emergencies; Strategic objective 2: Prevent acute hunger and invest in disaster preparedness and mitigation measures; Strategic Objective 4: Reduce chronic hunger and under-nutrition; and Strategic Objective 5: Strengthen the capacities of countries to reduce hunger, including through handover strategies and local purchase. This EMOP will also contribute to the Government of Bangladesh effort to achieve the Millennium Development Goals.

## SITUATION ANALYSIS

1. The dramatic rise in food prices during the last 12-18 months and recent natural disasters including cyclone Sidr in the southern coastal districts, the rodent plague in south east of the country and recurrent monsoon floods pose a serious threat to Bangladesh's national food and nutrition security. Although Bangladesh has made significant progress in human development indicators in the last decade, past progress made on Millennium Development Goals on poverty and hunger has already been compromised<sup>1</sup>. According to an analysis published in 2007 by IFPRI, Bangladesh is at risk of not meeting its MDG-1 and MDG-4 targets<sup>2</sup> on poverty, hunger and under-5 child mortality reduction. Bangladesh is a densely populated country of 145<sup>3</sup> million people. It ranks 140<sup>th</sup> of 177 countries in the 2007/2008 United Nations Development Programme's Human Development Report and is one of the most food insecure and undernourished countries in Asia.
2. The retail price of coarse rice, the variety that poor households mostly depend on, rose by 82 percent from June 2006 to June 2008<sup>4</sup>. Rice provides approximately 70 percent of the total calories consumed by low income households<sup>5</sup>. The increase in prices of basic food commodities has exposed the poorest segments of society to severe pressure with concerns of a worsening food security situation and a likely rise in malnutrition. There is an established relationship between malnutrition rates and high food prices<sup>6</sup> in Bangladesh. As rice prices rise, poor households typically reduce their purchase and consumption of more nutrient rich foods including vegetables, fruits, pulses, etc. With less of these more nutrient rich foods in the diet, food consumption related malnutrition normally worsens.
3. As a result of high food prices and recent natural disasters, 7.5 million additional people have joined the ranks of the hungry, bringing the number of people who consume less than 2,122 kcals/person/day<sup>7</sup> to 65.3 million, or 45 percent of the population. A staggering 34.7 million people now consume less than 1,805 kcals/person/day, up from 27.9 million prior to the food price shock.
4. The impact of the food price shock has been greatest in: (a) areas where chronic poverty and food insecurity were worst prior to the shock; and (b) areas recently affected by natural disasters including cyclone Sidr in the southern coastal districts, the rodent plague in southeast of the country and parts of southwest affected by the 2008 monsoon floods. Such regions include the Administrative Divisions of Barisal, Rajshahi, and Khulna with poverty rates of 52 percent, 51 percent and 46 percent respectively in comparison to a national average of 40 percent<sup>8</sup>. Urban areas are also significantly affected, largely because urban consumers are more dependent on the market for access to food. Many of the urban food insecure are concentrated in the largest cities and metropolitan areas of Dhaka, Chittagong, Khulna, and Rajshahi. Large urban slum settlements also exist in these same areas.

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<sup>1</sup> FAO's State of Food and Agriculture (2007) Table A 11.

<sup>2</sup> IFPRI The Challenge of Hunger 2007 Global Hunger Index (October 2007). Based on the GHI-P indicator; countries having a GHI-P indicator value of less than 0.5 were amongst those countries not on track to meet their MDG-1 and MDG-4 targets. Bangladesh had a GHI-P value of 0.44. The same analysis which looked at achievements against MDG targets, also included a *global hunger index* ranking, which placed Bangladesh towards the bottom of the list (103<sup>rd</sup> of 188 countries ranked) reflecting the poor food security situation within the country.

<sup>3</sup> Based on Bangladesh Bureau of Statistics estimated growth rate of 1.42% and a population figure of 143.9 million in 2007.

<sup>4</sup> Source: GoB MoA Department of Agricultural Marketing (DAM) and MISM; as reported in the FAO/WFP CFSAM (2008) report.

<sup>5</sup> Source: FAO WFP CFSAM (2008); Annex 4 p. 48; Calculated by the Mission based on 2005 GoB Bangladesh Bureau of Statistics/BBS Household Income and Expenditure/HIES data.

<sup>6</sup> FAO WFP CFSAM report (2008). Original source; Torlesse, H. Kiess, L & Bloem, M.W. 2003. Association of Household Rice Expenditure with Child Nutritional Status Indicates a Role for Macroeconomic Food Policy in Combating Malnutrition. *The Journal of Nutrition* 133(5): 1320-1325.

<sup>7</sup> FAO WFP CFSAM report (2008). The FAO/WFP Mission used both the BBS HIES 2005 data and the more recent World Bank paper "Increasing Rice Prices and Household Welfare in Bangladesh" (June 2008), as the main inputs for the analysis/estimates re: the size of the food insecure population before and after the food price shock.

<sup>8</sup> GoB BBS Report of the Household Income and Expenditure Survey 2005 (BBS May 2007).

5. The impact of high food prices will be particularly acute in the lean seasons occurring in September-November (such as the *Monga* period in the Northwest<sup>9</sup> of the country) and in March-April, due to chronic lack of employment opportunities for an ultra-poor population whose main livelihood is agricultural or day labour.
6. The agricultural labourers who represent a large proportion of the rural poor were spending 45 percent of their daily wage to purchase rice in 2005/2006. According to the Centre for Policy Dialogue (CPD), people below the poverty level experienced an income erosion of 36.7 percent during January 2007 to March 2008 due to high food inflation. With an 80 percent increase in the price of rice from June 2006 to June 2008, the daily wage of the agricultural labourers has increased by only 40 percent.
7. Realizing the precarious food supply and food security situation that the nation faced, the Government of Bangladesh (GoB) prioritized maximizing food production within the country at the same time aggressively increasing food imports. An active campaign was launched to ensure a favourable outcome from the May/June 2007 Boro harvest which traditionally provides over half (53 percent) of total national rice production<sup>10</sup>. Favourable weather, market price incentives to farmers, and active efforts by the government to ensure adequate agricultural input supplies resulted in a bumper harvest.
8. The total 2008 Boro rice production according to FAO is 17.76 million MT, 29 percent higher than average and 17 percent higher than last year's 2007 Boro harvest<sup>11</sup>. Although this favourable outcome was widely expected to have a significant impact on rice prices in the market, this outcome has largely not materialized. The daily national average retail prices of rice peaked at about 33 BDT per kilogramme prior to the harvest in April and dropped to 29 BDT in May 2008. As of mid October, the average retail price has risen again to 31 BDT per kg.<sup>12</sup>
9. Remote areas with poorly integrated markets are also of concern. These include the Chittagong Hill Tracts (CHT) region, the Northern Chars, the Haor<sup>13</sup> (low-lying) areas of the Northeast, and many of the Southern coastal areas and islands near the Bay of Bengal. Areas with poor Boro harvests include the coastal and Cyclone Sidr affected districts of Barguna, Jhalokati, Patuakhali and Pirojpur. Similarly, the Boro harvest plays a negligible role in the Chittagong Hill Tract districts of Rangamati, Khagarachari, and Bandarban. While the bumper Boro harvest has contributed a dampening effect on prices, these areas are less likely to benefit from in-flows of marketed Boro rice.
10. The depth of food insecurity has also worsened. The average daily food calorie gap has risen in rural areas to 228 kcals/person/day from 192 kcals/person/day before the price rises. In urban areas, the daily calorie gap has increased to 254 kcals/person/day from 217 kcals/person/day prior to the shock<sup>14</sup>.
11. Higher food prices have come at a time when the country is in a political transition and a state of emergency. Although elections and a return to a democratically elected government is planned on 18 December 2008, the tense political environment coupled with the spiralling cost of food and impacts of natural disasters are cause for increasing uncertainty and concern.

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<sup>9</sup> Northwestern Monga districts include Kurigram, Lalmonirhat, Nilphamari, Rangpur, and Gaibandha.

<sup>10</sup> Ibid. Table 5.

<sup>11</sup> Ibid.

<sup>12</sup> Sources price data GoB MoA Department of Agricultural Marketing (DAM) and MoFDM Directorate of Food (DoF). Rice variety; coarse rice

<sup>13</sup> Haor are low lying areas that are usually submerged during the rainy season.

<sup>14</sup> The estimate of the Kcal gap is generated from a data simulation model focusing on price elasticity and should be understood as approximate estimates

## THE HOUSEHOLDS FOOD SECURITY AND NUTRITION SITUATION <sup>15</sup>

12. Even prior to the food price shock, food security at the household and individual levels was a major problem affecting the ultra poor due to lack of access to food and poor nutritional security. Recurrent natural disasters compound the impact of hunger and food insecurity especially among the ultra poor. Bangladesh is ranked 102 out of 119 countries on the Global Hunger Index that captures the three dimensions of hunger: lack of economic access to food, shortfall in the nutritional status of children and child mortality due primarily to malnutrition<sup>16</sup>.
13. **Bangladesh has one of the most severe cases of malnutrition in Asia.** 46.3 percent of all children under 5 years are underweight. 36 percent of the infant are born with low birth weight (LBW) and suffer from stunting with serious consequences for survival and growth<sup>17</sup>. Although vitamin A supplementation among children 9-59 months increased between 2004 and 2007, from 82 to 88 percent<sup>18</sup>, dietary intakes of children and adults are severely deficient in vitamins and minerals particularly iron, vitamin A and Zinc. Micronutrient deficiency remains a major concern and 68 percent of children under five are anaemic with the highest prevalence among children 6-11 months. Approximately 40 percent of adolescent girls, 31 percent of adolescent boys, 40 percent of non pregnant women and 30 percent of pregnant women suffer from anemia<sup>19</sup>.
14. **Food expenditures** are increasingly dominating household budgets after the price shock. According to the 2008 FAO/WFP CFSAM report, the poorest and most food insecure households are spending an average 86 percent of their total expenditures on food, up from a level of 70 percent one year earlier.
15. **Food consumption patterns have changed.** Seventy-four percent of most of the households interviewed during the CFSAM reported reducing the size of their meals and 62 percent had reduced to two or fewer meals per day. Fifteen percent reported not eating for a day during a week. Over 50 percent of households were substituting for less expensive or less preferred commodities and 23 percent reported relying on unusual types or amounts of wild food sourced through gathering or hunting. Twelve percent of households had already mortgaged their future by consuming cereal seeds they had put aside for planting.
16. Within families, adults were eating less in order to let children eat in 23 percent of cases. Furthermore, there is a gender disparity, with more than 33 percent of female headed households consuming two meals per day or less, compared to 20 percent for male headed households.
17. Overall, 57 percent of most of the poor households interviewed during the CFSAM had compromised their diet diversity and evident by poor or borderline food consumption scores. Given the relationship between diet diversity and malnutrition and the fact that many households are reportedly switching to cheaper or less preferred food as a means of coping with higher prices, there are significant concerns about worsening malnutrition, in particular among young children and women.
18. **Indebtedness is on the rise.** Many households interviewed also reported borrowing either food or money from various sources on a weekly basis. More than half (51 percent) reported borrowing food and relying on help from friends or relatives; 45 percent reported purchasing or borrowing food on credit, 19 percent were borrowing money from friends or relatives, 16 percent were borrowing from NGOs and the Grameen Bank, 9 percent from money lenders, and 4 percent from other banks. Purchase of food on credit from any source entails significant risk since loans are difficult to repay due to highly unfavourable interest rates (including from NGOs) and lead to a spiral of debt often requiring a sale of household or productive assets.

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<sup>15</sup> Information presented in this section is largely taken from the finding of the FAO WFP CFSAM assessment (2008). The assessment included interviews with 244 households in 37 of Bangladesh's 64 districts. A purposive sampling approach was used with the large majority of respondents being women, i.e. those most knowledgeable within the household regarding food utilization and consumption. Most households interviewed were poor and residing in rural areas.

<sup>16</sup> IFPRI's Global Hunger Index (Bangladesh has been ranked 102 out of 119 countries).

<sup>17</sup> Bangladesh Demographic and Health Survey (BDHS) 2007, the estimates are based on NCHS/CDC/WHO growth standards

<sup>18</sup> BDHS, 2007

<sup>19</sup> Findings from a survey by HKI and Institute of Public Health and Nutrition in 2004 referenced in Nutritional Surveillance project Bulletin ,No. 16, April 2006

19. **Education is already being impacted.** Twenty percent of households interviewed by the CFSAM reporting that they had already taken their children out of school to domestic labour and to supplement the family income.
20. **The poorest deciles of the population are very severely food insecure.** It was noted above that daily caloric gaps have risen to 228 kcal/person/day in rural areas and 254 kcal/person/day in urban areas. These averages obscure the extremely worrying situation of the bottom decile of the population, for whom daily caloric gaps are as much as 373 kcal/person/day in rural areas and 405 kcal/person/day in urban areas<sup>20</sup>.
21. Certain population groups are of particular concern. Within rural areas, such groups include casual labourers, agricultural labourers working as share-croppers, the landless, and small-scale farmers, with extremely small landholdings. Within urban areas, such groups include slum residents with poor access to basic social services, beggars, rickshaw pullers, casual labourers, workers in the garment industry and other poorly compensated factory workers, street vendors, and domestic workers. Female-headed households, those unable to work, such as the elderly and disabled, and children between 6 months and 10 years are also heavily exposed to the impact of high food prices and natural disasters.
22. The above analysis is worrying in itself. It is, however, based on an assessment carried out in April/May 2008 and the situation of the poorest households will undoubtedly have deteriorated since that time. The country has already entered into the annual lean season of September to November, which affects the northwest of the country in particular. While some claim that the recent stabilisation in domestic retail prices spells the end of the high food price crisis, it is certainly too late for many ultra poor families who have already cut consumption for several months, borrowed food or money or sold their produce or labour in advance at discounted rates. These people are in a deeper spiral of indebtedness, from which it will take months and perhaps years to extricate themselves.
23. A WFP/UNICEF household food security and nutrition survey planned for November 2008 will provide updated information on the situation.

## **POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT**

24. The Government's main policy with regards to food security in the country is outlined in the National Food Policy (2006). The goal of the policy is "to ensure a dependable food security system for all people of the country at all times". The objectives include: 1) ensure adequate and stable supply of safe and nutritious food, 2) enhance purchasing power of the people for increased food accessibility, and 3) ensure adequate nutrition for all (especially women and children). Although this Emergency Operation supports all three objectives, it has greater relevance on objectives 2 & 3 with emphasis on food access and utilization.
25. The Government of Bangladesh (GoB) maintains a variety of social safety net programmes designed to address mainly transient food insecurity stemming from shocks and setbacks. The Public Food Distribution System is the Government's main mechanism for addressing food access shortfalls. Public food stocks are used for both ongoing food-based development programmes and for emergency interventions. The bulk of assistance planned in response to the current food price crisis will target up to 68 million through the programmes below during the July 2008- 2009 period.
  - Vulnerable Group Feeding/VGF (22.5 million beneficiaries)
  - Open Market Sales/OMS (12.4 million beneficiaries)
  - Cash for Work/CFW; "100 days employment programme" (10 million beneficiaries)
  - Food for Work/FFW (8.3 million beneficiaries)
  - Vulnerable Group Development/VGD (3.8 million beneficiaries)

<sup>20</sup> The estimate of the Kcal gap is generated from a data simulation model focusing on price elasticity and should be understood as approximate estimates

- TR/GR/CHT Test Relief, Gratuitous Relief, and special food assistance programmes in the Chittagong Hill Tribes/CHT region (11.0 million beneficiaries combined)

The GoB safety nets are being significantly scaled up because of high food prices. The expansion is reflected in the planned off-take numbers (metric tonnes channelled) through individual programmes. The largest expansion is planned for OMS, with 1.35 million MT for 2008-9, five times higher than 2007-08 0.27 million MT. Although reaching the planned OMS target would represent a remarkable achievement; the FAO/WFP CFSAM analysis used a more prudent planning figure of 670,000 MT for OMS, about 2.5 times over the 2007 levels.

26. The planning of this Emergency Operation is in line with the FAO/WFP CFSAM analysis. Over and above the planned safety nets, 1.45 million metric tons (MT) of additional food (or the equivalent in cash) will be needed to bring the entire food insecure population (65.3m people) up to a level of 2,122 kcal consumption.
27. The FAO/WFP assessment estimated that approximately 68 million people potentially could be reached by all of the GoB's food security oriented Social Safety Nets (SNN) programmes from July 2008 to June 2009. Because of targeting based inclusion errors, not all of the 68 million beneficiaries referred to above will be from within the ranks of the most food insecure<sup>21</sup> population in the country. The FAO WFP CFSAM analysis estimated that approximately 49.1 million of the total food insecure population will be assisted through GoB SSNs.

## **POLICES, CAPACITIES AND ACTION OF OTHER MAJOR ACTORS**

28. As food and oil prices rose during 2007-2008, a growing concern developed with regards to Bangladesh's ability to finance the imports required to ensure an adequate national food supply. The government's fiscal budget and national accounts came under extreme pressure with concerns regarding broader implications for macroeconomic stability. In response, many of Bangladesh's development partners including the World Bank, the IMF, and the Asian Development Bank chose to provide budgetary and balance of payments support through emergency financing and special soft loan arrangements.
29. Donors, UN agencies, and NGOs are funding or implementing several food security assistance programmes. Many NGOs are active in providing food aid and food security assistance. National NGOs, such as BRAC, Grameen, and Proshika, are operating numerous microfinance and micro-enterprise programmes.
30. **Non-Government of Bangladesh safety nets:** Estimating the total number of individuals receiving assistance, through non-Government food security oriented programmes is problematic due to the large number of organizations involved, and more specifically because of data availability constraints. Excluding the relief and recovery assistance associated with the past floods and Cyclone Sidr, the FAO/WFP assessment estimated that as many as 8.1 million people could be receiving non government assistance to address food access gaps. The FAO, WFP assessment estimated that approximately 6.2 million of the 8.1 million are likely among the most food insecure population.
31. Combining both GoB and non-GoB programmes, WFP estimates that approximately 56 million<sup>22</sup> of the 65.3 million food insecure population are likely to receive assistance. This implies that approximately 9.3 million food insecure people are currently not covered by any safety net. WFP plans to assist approximately 5 million or 54 percent of the 9.3 million people through this Emergency Operation. The size of the WFP caseload was determined taking into account the following
  - (i) Size of the appropriate demographic groups (children 6- 24 months, pregnant of lactating women) for the nutrition intervention;
  - (ii) School age population for school feeding intervention; and

<sup>21</sup> Most food insecure population refers to households falling into the bottom 4 deciles in terms of income or expenditures.

<sup>22</sup> The 56 million figure consists of 49.1 million through GoB SSN programmes and 6.9 million through non GoB programmes

- (iii) Capacity of WFP Country Office and partners to scale up.

These figures have been extensively discussed with GoB and there have been productive discussions with donors. A concept note was submitted to the GoB indicating the caseload to be assisted with details on the activities to be undertaken. All EMOP activities will complement GoB efforts to alleviate the impact of high food prices and natural disasters. The GoB has expressed its strong support for this Emergency Operation and their strong willingness to actively collaborate in its implementation.

## COORDINATION

32. A number of coordination bodies and mechanisms exist within Bangladesh that will be used to ensure an efficient and effective implementation of this Emergency Operation. The UN Country Team provides a forum for WFP to coordinate this EMOP with UN agencies. WFP, UNICEF and FAO are currently working together on a joint funding framework to alleviate the impact of high food prices.
33. UNICEF and FAO will be directly involved in various components of the EMOP. UNICEF will be an active partner on matters related to nutrition, particularly as it pertains to women and children. FAO will provide technical assistance on homestead gardening, within the context of household and community nutrition.
34. The Local Consultative Group (LCG) forum also provides a platform for donor coordination and dialogue. The LCG is composed of 32 Bangladesh-based representatives of bilateral and multilateral donors and the Secretary, Economic Relations Division (ERD) from the Ministry of Finance representing the Government<sup>23</sup>. Additional information on coordination of this Emergency Operation is elaborated under the implementation arrangements section.

## OBJECTIVES OF WFP ASSISTANCE

35. The overall goal of this Emergency Operation is to complement the government safety net programmes to alleviate the impact of high food prices. This is in line with the recommendations of the Secretary General's High Level Task Force on the Global Food Crisis and the United Nations Comprehensive Framework for Action to assist governments to address the impact of high food prices. This Emergency Operation is also in line with WFP Strategic Objectives 1: Saves lives and protect livelihood in emergencies; Strategic Objective 2: Prevent acute hunger and invest in disaster preparedness and mitigation measures; Strategic Objective 4: Reduce chronic hunger and under-nutrition; and Strategic Objective 5: Strengthen the capacities of countries to reduce hunger, including through handover strategies and local purchase of food commodities. This Emergency Operation will focus on the following objectives:
- To meet the immediate food needs of vulnerable groups in high food insecure urban and rural areas.(Strategic Objective 1)
  - To reduce and/or stabilize acute malnutrition among vulnerable groups in worst affected areas. (Strategic Objective 1)
  - To improve enrolment, attendance and learning in primary schools in remote rural areas and schools in urban slum catchments (Strategic Objective 4).
  - To improve access to food through income transfer in-kind or cash with particular emphasis on disaster risk reduction activities (Strategic Objective 2).
  - To strengthen the capacity of the Government of Bangladesh to design and implement effective safety nets. (Strategic Objective 5)

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<sup>23</sup> <http://www.lcgbangladesh.org/default.php>



36. In order to improve access to food and alleviate the impact of high food prices in high food insecure and disaster prone areas, this Emergency Operation will comprise of the following programmes: (1) Targeted Relief Assistance; (2) Nutrition Intervention; (3) School Feeding; (4) Employment Generation; and (5) Strengthening Capacity of Government to manage effective safety nets.
37. **Targeted Relief Assistance:** Targeted relief assistance will be provided to meet the food needs of vulnerable groups including the elderly, disabled, displaced persons, families of children attending targeted primary schools in urban slum catchments and people who are not able to work and not receiving Government safety net assistance and other assistance provided by non governmental organizations.
38. WFP will deploy 71 national and 16 international staff to enhance monitoring targeted relief assistance. In addition, WFP will work with Government authorities in targeted districts and NGO partners to enhance transparency in targeting and accountability for WFP assistance. Post distribution monitoring will be widely used to ensure that beneficiaries receive food and other entitlements.
39. **Nutrition Intervention:** The nutrition intervention will focus on reducing and/or stabilizing acute malnutrition amongst pregnant and lactating mothers and children 6-24 months. Households with moderately acute malnourished children aged 6-24 months will receive additional food rations for all household members. These households are normally extremely poor and the additional assistance serves as an income transfer and mitigates against the risk that food targeted at the malnourished child will be shared among households' members. Within the EMOP priority areas, approximately 2 million people are either pregnant or lactating mothers or children aged 6-24 months. WFP will target 250,000 beneficiaries with nutrition assistance in severely affected geographic clusters in this EMOP. This represents approximately 12.5 percent of the 2 million people.
40. The nutrition intervention activities will complement the ongoing WFP community nutrition activities under the Country Programme (CP 10410.0), support UNICEF's Mother and Child Health programmes and promote homestead gardening in partnership with FAO.
41. The WFP community nutrition activity will include nutrition education awareness targeting 50,000 households and distribution of blended food and vegetable seeds. Families with malnourished children will be provided family food rations consisting of rice, pulses, and micronutrient powder.
42. Micronutrient Powder (MNP) will be distributed to targeted beneficiaries including pregnant and lactating women and children selected from households assisted through various activities in the EMOP as follows:

Activity	Pregnant & lactating mothers	Children 6-24	Total
Targeted Relief Assistance	52,500	87,500	140,000
Community Nutrition	18,759	31,250	50,000
Family rations through schools in urban slums	45,000	75,000	120,000
Employment Generation	36,000	60,000	96,000
<b>Total:</b>	<b>152,250</b>	<b>253,750</b>	<b>406,000</b>

A total of 406,000 pregnant and lactating mothers and children 6-24 months will be assisted with MNP under this Emergency Operation. Lessons learnt and best practices with MNP distribution under the cyclone Sidr EMOP will inform the MNP distribution under this EMOP.

43. Ready-to-Use Supplementary Food (RUSF) for children will be piloted under this Emergency Operation targeting 5,000 acute malnourished children.

44. The nutrition education awareness will help parents become aware of the nutritional needs of their children. The promotion of homestead gardening targeting 50,000 households will contribute to diversifying the food consumed at the household level thereby improving household level nutrition.
45. **School Feeding:** School feeding assistance will focus on increasing enrolment attendance and learning by reducing short-term hunger in primary schools in remote high food insecure rural areas and schools in urban slum catchments. An estimated 4 million<sup>24</sup> children are primary school age in rural areas targeted by this EMOP. The net enrolment rate for urban slum children is 50.2<sup>25</sup> percent against a national enrolment rate of 90 percent<sup>26</sup>. Only 51 percent of slum urban children attend school against a national average of 76.4 percent. The primary education completion rate in the country at large is 67 percent with a dropout rate of 33 percent<sup>27</sup>.
46. Through this EMOP, school feeding activities will be scaled up. There are currently 600,000 children in the food-for-education programme under the Country Programme in remote high food insecure rural areas. This will be augmented through this Emergency Operation to a level of 900,000 primary school children in remote high food insecure rural areas and extended to 300,000 primary school children in urban slum catchments. Children attending targeted schools will be provided fortified biscuits as snacks on each day they attend school. To alleviate the impact of high food prices in urban slums, children attending targeted schools will be provided a family ration at the end of each month of school attendance<sup>28</sup>. Low enrolment, attendance, completion and drop-out rates in high food insecure areas will be used as targeting criteria for schools in rural areas. All schools in urban slum catchments will be targeted.
47. **Employment Generation:** Employment generation activities will transfer income in kind or cash in high food insecure and disaster prone areas. The mode of assistance and transfers used will take into consideration the following factors:
- The functioning of the markets;
  - Past analysis, which suggests that, poorest households and women in particular, prefer food to cash partly because of intra household dynamics regarding the control over the utilization of household resources (IFPRI 2007);
  - Speed and efficiency of the transfer;
  - Concerns regarding food warehouse storage capacity;
  - Concerns regarding compromised diet diversity and micronutrient related malnutrition.
48. Food-for-work or cash-for-work activities will be expanded during the lean periods from September to November and March to May. This is the period agricultural employment and household food stocks are low and the sale of labour in advance at low price and borrowing from informal sources at high interest rate is at its peak especially among the poor and food insecure.
49. The employment generation activities will include rural routine road repairs, emergency rehabilitation of embankments, drainage and irrigation systems and raising of grounds and homes in disaster prone areas. The rural road repair activities will include repair of potholes, slope maintenance, roadside tree planting and repair and reconstruction of rural roads. Emergency repair of embankments, drainage and irrigation systems will focus on repair of embankments damaged by flood and cyclone Sidr and cleaning of drainage and irrigation systems. Ground raising activities in disaster prone areas will target homesteads and community infrastructures including cattle shelters, markets, schools and access routes leading to raised grounds.

<sup>24</sup> Based on 2001 population census figures adjusted with a growth rate of 1.5 percent per annum

<sup>25</sup> The Urban Slum Survey conducted by IFPRI and WFP in the slums of Dhaka, Chitagong, Khulna, Rajshahi metropolitan areas in 2006

<sup>26</sup> Bangladesh Bureau of Educational Information and Statistics – 2008 (BANBEIS)

<sup>27</sup> MDG Mid-Term Progress Review Report, 2007 (DPE, MOPME, National Plan of Action II, 2007)

<sup>28</sup> Targeted primary schools in slum catchments are used as a platform for targeted relief distribution and conditioned on 80 percent school attendance/month

50. These activities will contribute to the rehabilitation of productive assets in high food insecure and disaster prone areas and recovery of livelihoods while improving access to food. This approach is consistent with the United Nations Comprehensive Framework for Action to support governments in addressing the impact of high food prices. Participants in the employment generation activity will be paid either with food or cash, or a combination of the two, depending upon local market circumstances. The ongoing cash-for-work pilot in cyclone Sidr affected areas will inform the cash-for-work activities. The Country Office has prepared an operational guideline for cash-for-work activities and management of funds. Non-food items for employment generation activities including spades, hoes, and basket and measuring tape will be budgeted under Other Direct Operation Costs (ODOC) funds.
51. **Strengthening capacity of Government.** WFP will work with the Government to strengthen their capacity to manage the expanded safety net programmes through support in three areas: analysis and targeting, monitoring and supply chain.
52. **Analysis and Targeting.** WFP is currently supporting the Government in targeting the 100 days employment generation programme and the Vulnerable Group Development programme. To ensure effective targeting of the expanded safety net programmes, WFP will provide technical assistance to the Bangladesh Bureau of Statistics and Local Government Engineering Department (LGED) in data analysis, GIS techniques related to food security and poverty mapping and use of the WFP VAM knowledge base. Training on geographic and socio economic targeting and resource allocation for safety nets will be provided to Government counterparts in the Ministry of Women and Children's Affairs and the Ministry of Food and Disaster Management (MoFDM) responsible for the design and implementation of large-scale national safety net programmes.
53. **Monitoring.** WFP will work with the Government to monitor implementation of the main safety nets, including coverage and targeting efficiency. WFP is currently working with Government on Vulnerable Group Development (VGD) for ultra-poor women and has undertaken several studies that have been extremely useful in reforming targeting, beneficiary selection and training and monitoring over the years to improve programme design and effectiveness. Similarly, lessons learnt from expanded safety nets will be captured and promoted for use in subsequent cycles.
54. **Supply Chain.** The Public Food Distribution System (PFDS) of the Government of Bangladesh has handled between 400,000 to 700,000 tons of food commodities per annum for the past 5 years. With the planned procurement of 1.5 million tons of rice to expand the Government safety net programmes in 2008/9, the PFDS is under extreme operational pressure. WFP will work with the Government to study the supply chain as an input to a possible supply chain management assistance programme. WFP is in the interim willing to assist GoB with international procurement of food commodities, and chartering of vessels to transport commodities in bulk and containers if required to meet the needs of the expanded safety net programmes

## BENEFICIARIES AND TARGETING

56. An estimated 5,000,000 beneficiaries will be assisted under the Emergency Operation comprising of 2,524,000 male and 2,476,000 females as follows:

Activity	Duration (days)	Participants	Beneficiaries *
<b>Targeted Relief Assistance</b>			
Relief to vulnerable groups	270	350,000	1,750,000
<b>Nutrition Interventions</b>			
Community Nutrition (CN)	270	50,000	250,000
Family rations for malnourished children	270	5,000	25,000**
Homestead gardening in collaboration with FAO)	270	50,000	250,000**
<b>School Feeding (SF)</b>			
School snacks in urban slum catchments	180	300,000	300,000**
School snacks in remote rural areas	180	300,000	300,000
Family ration through targeted urban schools	270	300,000	1,500,000
<b>Employment Generation</b>			
Rural routine road repairs	150	80,000	400,000
Emergency repairs of embankments, drainage and irrigation systems	150	80,000	400,000
Raising of grounds	150	80,000	400,000
<b>Total</b>	-	1,595,000	5,000,000

\* A family size of 5 people is used as basis of calculating family rations.

\*\*Excluded in the total to avoid double counting

57. The breakdown of beneficiary by age group is as follows:

Age group	** %	Beneficiaries		
		Male	Female	Total
< 5 years	11	280,000	270,000	550,000
> 5 to 18 years	35	900,000	850,000	1,750,000
Adult	54	1,344,000	1,356,000	2,700,000
<b>Total</b>		2,524,000	2,476,000	5,000,000

58. Beneficiaries of respective programmes in this Emergency Operation will include the following:

Activity	Targeted Beneficiaries
Targeted relief assistance	Elderly, disabled, Sick and people not able to work and not benefiting from other safety net programmes
Community Nutrition	Pregnant and lactating mothers, children 6-24 months, malnourished children
School Feeding	Children attending targeted schools and families of children attending targeted schools in urban slum catchments.
Employment Generation	Unemployed low income poor of which 50 percent of all participants in food-for-work and cash-for-work activities will be women
Capacity Building	Government of Bangladesh and beneficiaries of safety net programmes.

59. This Emergency Operation will be targeted to the most highly food insecure sub-districts. A small number of other food insecure sub-districts still recovering from recent shocks including cyclone Sidr and rodent plague are also included. A total of 106 Upazaila's/sub-districts are planned to receive WFP assistance. As a complement to the CFSAM assessment finding and the vulnerability analysis described above, an in

depth household food security and nutrition survey will be undertaken in partnership with UNICEF and the findings will be used to refine targeting.

60. Caseloads for each activity have been determined by identifying the size of target group using socio-economic and demographic data appropriate for each activity. For example, nutrition interventions are using demographic data on the age of 6-24 months and percentage of pregnant and lactating women within these priority sub-districts. Similarly, caseloads for the employment generation activities take into account the percentage of the labour aged population residing within food insecure households and without stable employment.
61. Targeted relief assistance will be primarily provided to extreme poor families without able-bodied adults of income earning age. Such families will include single parent households and households with elderly, disabled, and chronically ill family members. People receiving assistance from the Government safety net programmes and other programmes implemented by non-governmental organizations will not be assisted under this Emergency Operation.

## NUTRITIONAL CONSIDERATION AND RATIONS

62. The food rations per beneficiary (g/person/day) and kilocalories/persons/day for the various activities under this Emergency Operation are as follows:

Activity	food ration per beneficiary (g/person/day)				MNP Sachets (family/day)*	Kilocalories/person/day
	Cereals	Pulses	Blended Food	HEB		
<b>Targeted relief assistance</b>	167	30	-	-	3	702
<b>Nutrition Intervention</b> community nutrition	-	-	50	-	-	190
Rations to families with malnourished children **	400	40			3	1574
<b>School Feeding</b> School snacks	-	-	-	75	-	340
Take home rations	167	-	-	-	3	601
<b>Employment Generation **</b>	400	60	-	-	3	

### Notes:

\* Families with P/L women (two sachets) and children-6-24 months (one sachet).

\*\* Will include a Ready-for-Use-Supplementary Food (RUSF) pilot targeting 5,000 moderately acute malnourished children

\*\*\* The cash equivalent of the food-for-work rations will be provided for cash-for-work activities and roughly 580g/capita/day

63. The rations planned above for this Emergency Operation have taken into consideration the following factors:
- (i) recent assessment findings regarding the average daily food/calorie gap of the food insecure population;
  - (ii) other elements of the assistance packages; for example nutrition awareness training and homestead gardening to contribute to food and nutritional security (knowledge and asset transfer as opposed to in-kind calorie transfers);
  - (iii) the need to provide additional income transfer assistance to extremely poor families with severely malnourished children, as well as the need to mitigate the risk of ration dilution through intra household sharing;
  - (iv) wage rates in the local market; for example food-for work rations are planned below the market wage rates to ensure that labour markets are not disrupted or distorted;

- (v) harmonization of assistance packages provided by WFP's partners including both Government and non-government organizations;
- (vi) the possibility that not all beneficiaries will consume 100 percent of the ration; the portion of rations are sometimes shared with other poor members of the community and occasionally sold to generate income for the purchase of other food or non food essentials.

## **LOGISTICS ARRANGEMENTS**

- 64 The food basket for this Emergency Operation will be a combination of commodities procured locally and internationally in the region. Food commodities procured locally will be transported by road on a Delivery Duty Unpaid (DDU) basis and transported by commercial transport to the warehouses of cooperating partners at designated locations. Cooperating partners will take over the responsibility for the storage, handling and further delivery and distribution of the commodities.
- 65. Suitable warehouses will be located where required and adequate logistics staff will be deployed to ensure implementation and monitoring of the operation. FAO has expressed interest in joining the logistics coordination and WFP is willing to accommodate their Logistics requirement.

## **PROCUREMENT PLANS**

- 66. WFP will procure the food commodities required for this Emergency Operation locally and through international purchase in the region. Local procurement of food commodities will be subject to stock availability, competitive prices and cash resources as per standard corporate guidelines. WFP will closely monitor the local market and commodity prices in order to reduce the risk of distorting market prices since the Government is also procuring from the local market for the Public Food Distribution System. Regional procurement will be undertaken when advantageous from a cost, time and/or market perspective. High Energy Biscuits will be purchased locally through contracted manufactures, with micronutrient premix coming from India and Singapore. WFP will work with FAO to procure vegetable seeds for the homestead gardening under the nutrition component. UNICEF and WFP are currently coordinating procurement activities and sharing the list of vendors screened by both organizations. To ensure timely delivery and distribution of food, WFP will explore the possibility of borrowing rice from the GoB food stocks with rapid repayment arrangements.

## **IMPLEMENTATION ARRANGEMENTS**

- 67. This Emergency Operation will complement the Government of Bangladesh safety net programmes to alleviate the impact of high food prices. It will be closely coordinated with the Government and other non-governmental organizations providing assistance in targeted areas to avoid duplication of assistance.
- 68. WFP has a long and extensive experience in providing relief and recovery assistance in Bangladesh through general food distribution, food-for-work and nutrition interventions. The ongoing cash-for-work pilot in cyclone affected areas will inform the cash-for-work activities in this Emergency Operation. The Country Office has already developed and implemented a programming and cash management guideline.
- 69. WFP will work with UNICEF and FAO to implement nutrition intervention activities in this Emergency Operation. UNICEF will provide technical assistance for nutrition education awareness and assistance to mother and child health nutrition intervention programmes. FAO will provide seeds for homestead vegetable gardening and provide technical support in vegetable gardening.
- 70. A joint Steering Committee will be established by the Ministry of Food and Disaster Management (MoFDM) at the central level to coordinate this Emergency Operation with other Government line ministries involved and chaired by the Secretary of MoFDM and the Director General of Directorate of Relief and Rehabilitation (DRR) as Secretary. The Ministry of Local Government, Rural Development and Cooperatives, Ministry of Women and Children Affairs (MWCA), Ministry of Water Resources, Ministry of Agriculture, Ministry of Primary Education, Planning Commission, Department of Primary Education,

Bangladesh National Nutrition Council (BNNC), Local Government Engineering Department (LGED) and WFP will nominate members to the Steering Committee. The Steering Committee will coordinate the implementation of the activities in this Emergency Operation and meet quarterly to review implementation effectiveness. The Steering Committee will also provide policy guidance and administrative support.

71. Pre-qualified NGO stand by partners with proven capacity to manage food assistance activities, including cash-for-work, will carry out beneficiary selection and food distribution in targeted areas in partnership with Government officials. WFP staff will closely monitor beneficiary selection and targeting process to avoid duplication of assistance.
72. The Local Government Engineering Department (LGED) under the Local Government Division of Ministry of Local Government, Rural Development and Cooperatives will be responsible for the implementation of employment generation activities through food for work and cash for work activities. The Upazila Engineers of LGED and the Project Implementation Officers (PIOs) will be involved in the planning and implementation of the employment generation schemes. The Bangladesh Water Development Board (BWDB) under the Ministry of Water resources will be responsible for the implementation of the Food for work and cash for work activities for emergency repair of embankments damaged by floods and repair of drainage and irrigation. BWDB and LGED staff in the districts and Upazilas will select and prepare viable schemes that will create employment opportunities and which are operationally feasible. WFP in collaboration with BWDB and LGED management will review and approve the viable schemes.
73. The Directorate of Relief and Rehabilitation (DRR) will be responsible for the implementation of targeted relief assistance. NGO partners will be engaged by WFP to assist with the implementation. Their primary role will include beneficiary selection, food distribution and nutrition education awareness among the project participants. BNNC will provide technical assistance for the nutrition component of this emergency.
74. BWDB, LGED and DRR will participate in the selection, implementation and monitoring of project activities at the district and Upazila/sub-district level. A team will be designated at their headquarter level to coordinate the planning, monitoring and implementation of this Emergency Operation.
75. The school feeding activity of this Emergency Operation will be implemented in close coordination with the Directorate of Primary Education (DPE) under the Ministry of Primary and Mass Education. (MoPME.). NGO partners will be contracted by WFP to implement. The School Management Committee (SMC) in targeted primary schools in slum catchments areas will be responsible for distribution of take home rations in urban schools. Families with more one child attending the targeted primary schools will be entitled to only one family ration.
76. WFP Sub-Offices in Dhaka, Rangpur, Jessore, Barisal, Chitagong Cox's Bazaar and Rangamati will monitor implementation of this Emergency Operation and provide necessary technical support to Government counterparts and NGO partners. An international emergency coordinator based in Country Office will manage implementation of this Emergency Operation. Additional National Officers and international programme officers will be deployed at the Sub-offices to ensure effective monitoring. Food Aid Monitors will be deployed in each of the districts to closely monitor the implementation of the activities and distribution of food and cash. Additional technical support for vulnerability analysis and targeting, participatory planning, ICT and logistics will be provided to sub-offices to ensure efficient and effective management of this Emergency Operation.
77. Districts and Upazilas assisted under this Emergency Operation have been identified through vulnerability analysis. Beneficiary lists will be crosschecked with beneficiary lists of ongoing Government safety net programmes and other programmes implemented by the non-government organizations to avoid duplication.
78. Cash payments for cash-for-work activities will be delivered through bank transfer to the partner NGO accounts. Cash payments to beneficiaries will be made in the presence of local authorities, the community and monitored by the WFP. Field Level Agreements (FLA) will be signed with partners for all activities. Control measures for cash-for-work activities will be activated in line with WFP cash programming directives.

79. Food-for-work and cash-for-work activities will be undertaken in a participatory manner in consultation with communities targeted. Local oversight committees comprising of representatives from the Upazila/Union Disaster Management Committee, Partner NGO, local authorities and community leaders will be established to ensure transparency in beneficiaries selection, implementation of project activities and distribution of food and cash.

## **PERFORMANCE MONITORING**

80. A log frame has been prepared for this Emergency Operation to manage for results. A monitoring system will be put in place for data collection and analysis. WFP Sub-Offices will facilitate and monitor the implementation of this Emergency Operation in collaboration with government counterparts and NGOs. Weekly sitreps on planned and actual distribution will be submitted by partners to WFP sub-offices for forwarding to the country offices. Monthly reports will contain data on the number of beneficiaries (disaggregated by gender) and the quantity of food distributed. A market survey is ongoing and will inform areas for cash-for-work activities

## **HANDOVER STRATEGY**

81. This Emergency Operation is planned for nine months to complement the Government safety net programmes to address the impact of high food prices. Food prices are likely to remain high in the medium term. However, with higher prices and effective programmes to support farmers to increase food production there is a good potential for increased household food production and higher rural incomes. For households that have not managed to adapt to the food price shock at the end of this Emergency Operation, there are three broad options for continued protection:
- The GoB expands school feeding and safety net interventions including Vulnerable Group Development (VGD) and Employment Generation (EG) to cover the gap under the safety net programmes and a national school feeding programme planned under the ongoing Primary Education Development Programme (PEDPII). In this case WFP beneficiaries could be incorporated in GoB programmes.
  - The GoB does not cover the gap. In this case identified schools and households could be assisted for a limited period under a PRRO or included in the ongoing Country Programme.
  - A mix of the first two options, whereby the GoB partially covers WFP EMOP beneficiaries and WFP would cover the remaining gap
82. The situation will be assessed in April/May to 2009 to determine the best course of action at the end of the EMOP period.
83. Technical assistance to strengthen the capacity of the Government in vulnerability analysis and targeting and monitoring of safety net programmes will help enhance the Public Food Distribution System. Mechanisms for self help and community group management of assets will be included in the Field-Level Agreements and become an integral part of WFP Monitoring and Evaluation and partnership building to foster sustainability and ownership over assets created or maintained.

## **SECURITY CONSIDERATIONS**

84. Bangladesh is under a state of emergency. A caretaker government is in place and a democratic election is planned for December 2008. High food insecure and disaster prone areas severely affected by high food prices are accessible and the situation in the country at large is stable and non-threatening for UN staff and partners. The UNDSS Security Office in Bangladesh will assist WFP on security related matters for the Emergency Operation.



**RECOMMENDATION**

The Executive Director and Director-General of FAO are requested to approve the proposed Emergency Operation “Emergency safety net for vulnerable groups affected by high food prices and natural disasters in Bangladesh” EMOP 10788.0

APPROVAL (signature and date)

.....

Josette Sheeran  
Executive Director

Date: ... ..

.....

Director-General of FAO

Date: ... ..

## ACRONYMS USED IN THE DOCUMENT

BDT	Bangladesh Taka
BNNC	Bangladesh National Nutrition Council
BWDB	Bangladesh Water Development Board
CFSAM	Crop and Food Supply Assessment Mission
CFW	Cash-for-Work
CHT	Chittagong Hill Tract
CP	Country Programme
CPD	Centre for Policy Dialogue
DRR	Directorate of Relief and Rehabilitation
EMOP	Emergency Operation
ERD	Economic Relation Division
FFW	Food-for-Work
GoB	Government of Bangladesh
GR	Gratuitous Relief
HEB	High Energy Biscuits
IFPRI	International al Food Policy Research Institute
LCG	Local Consultative Group
LGED	Local Government Engineering Department
LTSH	Local Transport Storage and Handling
MDG	Millennium Development Goal
MNP	Micronutrient Powder
MoFDM	Ministry of Food and Disaster Management
ODOC	Other Direct Operational Costs
OMS	Open Market Sales
PEDP-2	Primary Education Development Programme, Phase -II
PFDS	Public Food Distribution System
RUSF	Ready-to Use Supplementary Food
SNN	Social Safety Nets
TR	Test Relief
VGf	Vulnerable Group Feeding
VGD	Vulnerable Group Development

## ANNEX IA

## WFP PROJECT COST BREAKDOWN

	Quantity (mt)	Average cost (US\$) per mt	Value (US\$)
<b>COSTS</b>			
<b>A. Direct operational costs</b>			
Commodity 1-Cereals <sup>29</sup>	217,311	420	91,270,381
Commodity 2-Pulses-YSP	24,655	665	16,395,701
Commodity 3-Blended Food	3,375	632.00	2,133,000
Commodity 4- HEB	8,100	1,271.00	10,295,100
Commodity 5: MNP	232	10,000.00	2,320,000
Commodity 6: Cash Transfer	5,920	507	3,000,000
...-			
...-			
...-			
<b>Total commodities</b>	<b>259,593</b>		<b>125,414,182</b>
<b>External transport</b>			<b>15,772,062</b>
<b>Landside transport</b>			<b>4,983,263</b>
<b>ITSH</b>			<b>6,688,943</b>
<b>Total LTSH</b>			<b>11,672,206</b>
<b>Other direct operational costs</b>			<b>9,339,111</b>
		<b>Total direct operational costs</b>	<b>162,197,561</b>
<b>B. Direct support costs</b> (see Annex IB table below for details)			<b>4,916,640</b>
<b>C. Indirect support costs</b> (7 percent of total direct costs)			<b>11,697,994</b>
<b>TOTAL WFP COSTS</b>			<b>178,812,195</b>

<sup>29</sup> This is a notional food basket used for budgeting and approval purposes. The precise mix and actual quantities of commodities to be supplied to the project, as in all WFP-assisted projects, may vary over time depending on the availability of commodities to WFP and domestically within the recipient country.

## ANNEX IB

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>
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<b>Staff</b>	
International professional staff	1,976,140
National professional officers	270,000
National general service staff	549,000
Temporary assistance	94,000
Overtime	3,200
International Consultant	500,000
Locally Recruited Consultant	81,000
Staff duty travel	486,000
Staff training and development	30,000
<b>Subtotal</b>	<b>3,989,340</b>
<b>Office expenses and other recurrent costs</b>	
Rental of facility	50,000
Utilities (general)	15,400
Office supplies	58,500
Communication and IT services	90,000
Insurance	-
Equipment repair and maintenance	5,400
Vehicle maintenance and running cost	97,000
Other office expenses	120,000
United Nations Organizations Services	70,000
<b>Subtotal</b>	<b>506,300</b>
<b>Equipment and other fixed costs</b>	
Furniture, tools and equipment	30,000
Vehicles (leasing)	171,000
TC/IT equipment	220,000
<b>Subtotal</b>	<b>421,000</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>4,916,640</b>