



WFP Sudan
SPECIAL OPERATION SO 200073

Country:	Sudan
Type of project:	Special Operation
Title:	Provision of Humanitarian Air Services in Sudan
Total cost (US\$):	US\$ 63,349,573 (including nominal booking fee income)
Duration:	One year from 1 st January to 31 st December 2010)

Executive Summary

This Special Operation caters for the provision of a safe, reliable and cost efficient air transport service to the humanitarian community in Sudan in 2010. This United Nations Humanitarian Air Service (UNHAS) will be organized and managed by WFP to facilitate the movement of aid workers providing humanitarian assistance to Sudanese refugees, host populations and IDPs throughout the country. This service has been requested by more than 300 humanitarian agencies and the donor community operating in Sudan.

Through this operation, WFP will operate 21 aircraft (17 fixed-wing aircraft and 4 MI-8 helicopters) based in Khartoum, Nyala, Fasher, Genina, Juba, Wau, Rumbek, Malakal and Lokichogio to reach 108 locations.

The booking of a nominal fee at US\$200 (hub to hub) and \$100 (hub to deep field) per passenger has been approved and is expected to contribute up to US\$18 Million or 28% of the overall project cost. The remaining 72% of the budget is expected to be raised through donor contributions. The Special Operation is for a duration of twelve months, from January to December 2010 at a total cost of US\$ 63,349,573.

Project Background

1. Despite the booming oil economy of recent years, much of Sudan – including both urban and rural areas – remains poorly developed. Investment in social services such as health and education, which have long been under-funded, has not kept pace with either needs or the overall expansion of revenues. In 2009, Sudan ranked 150th out of 182 countries against the UNDP's composite Human Development Index.
2. The ongoing conflict in Darfur, the lingering effects of the civil war in the south (including returns, limited infrastructure, and the need for consolidation of governance) and chronic poverty in the East have left much of Sudan food insecure and – in the absence of effective social service systems – dependent on international aid.
3. Implementation of the Comprehensive Peace Agreement, which marked the end of the north-south conflict, is now entering a critical phase with the approach of several important benchmarks. The results of the census carried out in 2008, which have important implications for how wealth and power are shared, have been rejected by the

south. The upcoming elections – originally scheduled for 2009 but now postponed until April 2010 – have contributed to increased political tensions which at times have spilled over into violence. The 2011 referendum, which will determine the future status of Southern Sudan, is even more likely to be a focus for political tensions given the very high stakes involved.

4. The combination of conflict, large-scale population movements and poverty make Sudan one of the most complex political and economic environments in which WFP operates.
5. The Sudan humanitarian air service was initiated in 2004 in response to the Darfur Emergency, while in the south a parallel operation under full cost recovery has been in place for over 10 years. At the beginning of 2008 after an internal consultation with donors and the humanitarian community, the South Sudan air operation was combined with the Darfur operation. Previously the Southern Sudan fleet was operating on a full cost recovery basis and funded through the Operations Lifeline Sudan (OLS) Special Account.
6. To date, the security situation in Sudan remains volatile and continues to impede humanitarian operations, particularly in Darfur, Abyei, Jonglei and Northern Bahr El Ghazal. With limited infrastructure and security, surface transport remains extremely dangerous and allows very limited access leaving air transport as the only secure transport option. Domestic commercial air transport is not available to most of the locations where the humanitarian community needs to travel and where the limited existing service is unreliable and/or where compliance with maintenance and safety regulations can not be guaranteed.
7. Three hundred (300) user organizations from UN agencies, NGOs and diplomatic missions rely extensively on WFP/UNHAS to implement and monitor humanitarian activities in Sudan.
8. From January to September 2009, WFP/UNHAS Sudan fleet performed 13,670 hours transporting 75,249 passengers and 705 Mt of light humanitarian cargo, as per breakdown below. Under the same period 38 medical and 499 security evacuations were undertaken.

WFP/UNHAS, Sudan fleet performance from January to September 2009

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Hours flown	1,568	1,438	1,498	1,414	1,645	1,552	1,575	1,595	1,385	13,670
Passenger	8,650	8,470	8,000	7,788	8,624	9,065	8,435	8,786	7,431	75,249
Cargo (kg)	90,921	83,532	75,075	72,655	94,195	74,941	74,008	97,338	53,166	705,831
Sortie	1,654	1,571	1,637	1,524	1,747	1,714	1,667	1,730	1,503	14,747
Average monthly occupancy rate: 70%										

9. Considering the funding shortfall during the last quarter of 2008, the WFP/UNHAS Steering Committee recommended an increase of the nominal booking fee from US\$100 on fixed wing to US\$200 and helicopters/deep field flights from US\$40 to US\$100 effective 1st January 2009. While the intention was to cover 30% of the operational budget from this cost recovery (US\$30Million) the negative impact was a decrease of passenger traffic from 12,500/month to an average of 8,500/month or 32%.

Project Justification

10. Insecurity, poor infrastructure, long distances and the lack of safe and reliable air transport providers make the continued presence of WFP/UNHAS in the country essential to the Humanitarian Community at large.
11. The security situation in Sudan remains volatile and road transport access remains extremely dangerous in many parts of Sudan. Several cases of kidnapping, carjacking, and killing while using road transport were reported in 2008 and 2009. WFP/UNHAS has regular flights to 108 locations of which only 9 are served by domestic commercial airlines, airlines that are not in compliance with UN safety standards.
12. Given the context of a large-scale complex emergency, harsh environment and limited access in Sudan, WFP/UNHAS remains flexible and regularly reviews its fleet size and configuration against the prevailing humanitarian requirements in order to satisfy the air transport demand.
13. A comparative example here captures difficulties to be encountered and long delays in travel across Sudan: A trip from the capital Khartoum to West Darfur is 2.30 hours by air or at least 2 weeks by road. A trip from Khartoum to Juba by road would take three weeks or 3 hours by air.
14. Through customer surveys, feedback from the Steering Committee and User Group meetings, the humanitarian organizations using this service have expressed strong support for the continuation of this service for the year 2010. Meetings held with the donor community locally have indicated the same support. WFP/UNHAS is approved by the Humanitarian Country Team as National Common Service Programme under the Sudan UN work plan for 2010.

Project Objective(s)

15. The objectives of this Special Operation are:
 - to provide a reliable, safe, efficient and cost-effective inter-agency air transport service to over 300 UN agencies, NGOs, diplomatic mission and donor organizations providing humanitarian assistance to Sudanese refugees, host populations and IDPs in the country;
 - to transport light relief items and cargo such as medical supplies, high energy foods and ICT equipment; and
 - to provide timely evacuations (medical and security) for the humanitarian community in Sudan

Project Implementation

16. As per previous years arrangement, WFP will continue to manage UNHAS in Sudan. The humanitarian agencies will benefit from WFP's expertise and experience in managing air operations. This air service is expected to support at least 300 agencies to access over 108 locations.
17. In accordance with WFP's Air Transport Directive of January 2004 and in compliance with ICAO recommendations, WFP has set up UNHAS User Group Committees (UGC) composed of UN agencies, NGOs and donor representatives in Juba (South Sudan), Nyala (South Darfur), Fasher (North Darfur) and Genina (West Darfur). Their role is to define the requirements and priorities in terms of air transport needs, as well as to monitor the quality of services rendered and provide feedback and guidance to the WFP Chief Air Transport Officer. User Group meetings are conducted on a monthly basis with the Steering Committee meetings held quarterly or as regularly as necessary.
18. The operational fleet consists of 21 aircraft (17 fixed-wing aircraft and 4 MI-8 helicopters) based strategically in Khartoum, Nyala, Fasher, Genina, Juba, Wau, Rumbek, Malakal and Lokichogio. The fleet is flexible for deployment in both Darfur and the South hence ensuring maximum utilization of the aircraft capacity and optimizing cost efficiency.
19. The project will continue functioning using existing WFP management structures and support systems already in place for the Sudan EMOP 10760.0 and the air SO 10181.4/5.
 - Passenger and cargo booking is to be made through WFP/UNHAS management structures, with data and voice connectivity available to relay flight manifest and schedules to all locations where WFP maintains sub-offices for distribution to users.
 - A dedicated communication system is in place to monitor the location and flight progress of all WFP operated aircraft through VHF radios and the Satellite tracking system in the interest of flight safety.
 - The Flight Management Application (FMA) system is in place and functioning. The system enables monitoring of usage of the air service by various agencies, load factors, flight routing and provide operational and cost data for management overview.
 - Weekly/ monthly flight schedules are maintained, with flexibility to adjust to requests for special flights.
20. The Aviation section (OMLA) based in Rome is responsible for the contracting of the aircrafts and the safety oversight of the operation.
21. The Chief Air Transport Officer (CATO) will manage the operation locally under the overall supervision of the WFP Sudan Regional Bureau (OMS) Head of Logistics; The CATO will provide operational reports to the Funds Manager, OMS Head of Logistics and OMLA.
22. The Sudan Regional Director will act as the Funds Manager and the Aviation Finance Officer will be the Allotment Administrator for this operation. OMLA will provide

operational and administrative support and will be responsible for the oversight of the operational activities in Sudan.

23. In addition to the resources expected to be raised through donor contributions, WFP/UNHAS will continue charging the nominal booking fee on regular routes, and full cost recovery method will be applied to dedicated agency charter flights as directed by the Steering Committee.
24. WFP/UNHAS conducted a customer survey in January and April 09 and the results reflect prevailing challenges:
 - a) 28% of UNHAS users could not afford frequent travel with an increased booking fee from US\$100 to US\$200, especially where no donor funding was available to compensate their travel budget.
 - b) Delays in getting government (HAC) ID cards and travel permits hampered many NGOs travel.
 - c) Insecurity increased during the 1st Quarter of 2009 before the ICC announcement.
 - d) The expulsion of 16 NGOs in March 2009 reduced by 500 the number of potential passengers.
 - e) The combined effect of all the above factors explain a drop of passenger figures from 12,500 under same period in 2008 to an average of 8,500 passengers per month in 2009.

Project Cost & Benefits

25. The total project cost for this Special Operation is US\$ 63,349,573 as detailed in the budget.
26. The WFP/UNHAS Steering Committee in its effort to keep this vital service running approved the booking nominal fee at US\$200 (hub to hub) and \$100 (hub to deep field) per passenger. This is expected to contribute up to US\$ 18 Million or 28% of the overall project cost. The remaining 72% of the budget is expected to be raised through donor contributions.
27. The envisaged benefits of the air service in Sudan are as approved by the WFP/UNHAS Sudan Steering Committee is as follows:
 - Increased safety for the humanitarian community, Donors and Embassies overall in Sudan, thanks to this service
 - operational efficiency, effectiveness and security in the implementation and monitoring of humanitarian operations;
 - a common service provided to the humanitarian community which is consistent with the call by the Secretary-General “for greater unity of purpose and coherence at country level and that each UN entity should benefit from another’s presence through establishing corresponding consultative and collaborative arrangements”;
 - enhanced efficiency of staff/programmes in Sudan through a standardized, single contracting and safety surveillance system; and,
 - a cost-effective service that can take advantage of economies of scale through lower aircraft direct operating cost, payload consolidation and an integrated organisation.

- The fleet is essential tool used to provide medical and security evacuation service to the humanitarian aid community in the country.

Monitoring & Evaluation

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

- Aircraft occupancy rate of 70%
- The number/quantity of passengers and light cargo (in metric tons) transported against the planned quantities. The current target is 8,000 passengers and 120MT of cargo.
- 100% utilization of the aircraft contracted hours
- Frequency of and attendance to the SC/UGC meetings
- The number of UN agencies and other humanitarian organizations utilizing the service vis/vis number of locations served. 300 agencies are expected to benefit from this service with access to 108 locations.
- 100% response to medical and security evacuations.
- Number of safety related accidents and/or incidents

Exit Strategy

29. Given the complex situation in Sudan, WFP cannot envisage at this point the development of an exit strategy however as soon as the situation allows, WFP will ensure that appropriate course of action is outlined and submitted to the User Groups and the Steering Committee.

Recommendation

30. This Special Operation covering the period from 1st January to 31st December 2010 at a total cost to WFP of US\$ 63,349,573 is recommended for approval by the Executive Director with the budget provided.

APPROVAL

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 Josette Sheeran
 Executive Director

Annexes: i) Project budget plan (not to be posted on WFP website) ii) WFP/UNHAS Sudan routes (to be posted on WFP website) iii) WFP/UNHAS Darfur routes (to be posted on WFP website) iv) List of agencies operating in Sudan / UNHAS users (to be posted on WFP website)