

Emergency Operation (Malawi, EMOP 200608)

TITLE: TARGETED RELIEF FOOD ASSISTANCE TO VULNERABLE POPULATION AFFECTED BY NATURAL DISASTERS	
Number of beneficiaries	1 928 536
Duration of project	7 months (September 2013-March 2014)
WFP food tonnage	104 338
Cost (United States dollars)	
WFP food cost	43 172 060
WFP cash/voucher cost	13 760 345
Total cost to WFP	92 491 537

EXECUTIVE SUMMARY

- Whilst no official estimates of maize production have been released for the 2013/14 food consumption year, the recent Malawi Vulnerability Assessment Committee (MVAC) and Emergency Food Security Assessment (EFSA) reports indicate that a significant proportion of the population will be unable to meet their annual food requirements. This is as a result of both the inadequate availability of and access to food. The affected populations are located in more and dispersed districts of the country this year, in 21 out of 28 districts nationwide.
- Low agricultural yields resulting from inadequate rainfall and/or severe floods have reduced household food availability, as well as earnings from crop production, leading to diminished purchasing power for basic staple food and non-food items for poor and vulnerable households. At the same time, prices of most food and non-food commodities have continued to rise driven by the lingering effects of last year's localized production shocks, macro-economic instability and high demand despite recent harvests.
- The Government, through the Department of Disaster Management Affairs (DoDMA) has requested WFP to support the Government of Malawi in implementing a humanitarian response programme to address the identified needs. The response will be implemented as part of a jointly developed, multi-sectoral National Food Insecurity Response Plan which is within the framework of the national contingency planning process where the UN and NGO partners engage through the cluster mechanism under the leadership of the Government.
- Food assistance will be provided through targeted food and cash transfers to best meet immediate food requirements. Livelihood protection efforts for long-term food security will also be pursued by linking with WFP Country Programme (CP) activities as well as partner NGO activities.
- Assistance will be implemented throughout the lean season from October 2013 to March 2014, while implementation arrangements including procurement and beneficiary targeting and sensitization will be put in place in September 2013.

- In line with the Malawi Growth and Development Strategy (MGDS) II, United Nations Development Assistance Framework and WFP's Strategic Objective 1 of the WFP Strategic Plan (2008-2013), the objective of this emergency operation is to meet the immediate food needs and protect livelihoods of the victims of natural disasters and economic shocks. This will be achieved through the implementation of food and cash transfers targeting the affected populations guided by the annual assessment findings and recommendations of the MVAC and EFSA, including a market assessment that will guide the geographical targeting of cash transfers.

Context

1. Malawi ranks 170 out of 187 countries on the 2012 Human Development Index. More than half of the population lives on less than US\$1.25 per day¹ and a quarter of the population is considered ultra-poor². It is a small landlocked country with an estimated population of 14.8 million people, 85 percent of whom live in rural areas.
2. More than 80 percent of Malawians are smallholder farmers with a national average land holding size of 0.5 hectare per household³. The farming systems are principally rain fed and maize based (75 percent), and highly susceptible to fluctuations in annual weather patterns. Such conditions, compounded with an 11.9 percent HIV prevalence rate⁴ make Malawi's population highly vulnerable to the effects of economic shocks and natural disasters that lead to food insecurity, with such shocks disproportionately affecting women and children. Gender based violence (GBV) reinforces inequities between men and women and hinders food security. In Malawi, 28 percent of women reported having experienced some sort of physical violence⁵.
3. A combination of late onset and erratic rains during crucial stages of the growing season has resulted in reduced maize crop yields in the traditional food insecure districts in the south as well as surplus areas of the centre and north. Furthermore, high prices of agriculture inputs last year led to people buying less fertilizer, planting less acreage and selling green maize, all exacerbating the current situation. Although the Ministry of Agriculture and Food Security (MoAFS) predicts a modest maize surplus in some areas, leading to an overall surplus at national level, the major challenge is the redistribution of the surplus to the deficit areas. In addition there are issues around the calculation the surplus that strongly negate the likelihood of an overall surplus in 2013 including the following: i) yield estimations are historically optimistic, ii) industrial use estimation is obsolete (being based on 2004/2005 figures) and iii) post-harvest losses estimation is also unrealistically low at 12.9 percent while current estimates stand at an average of 30 percent.
4. At the same time, the price of maize – Malawi's main staple food – is already on average 250 percent above last year's prices and 170 percent above the 5-year average at a time when prices should be much lower post-harvest. Price trends are anticipated to increase further between September and December by approximately 20 percent. High prices are mostly driven by the lingering effects of last year's localized production shocks, macro-economic instability (including high inflation of 28 percent⁶), and high demand despite recent harvests⁷. This situation has implied reduced access to food by vulnerable households.

¹United Nations Development Programme. 2013. Human Development Report 2013. The Rise of the South: Human Progress in Diverse World. New York.

²National Statistical Office (NSO), 2013. Malawi Population Data Sheet 2012, Zomba

³NSO and ICF Macro. 2011. Malawi Demographic and Health Survey 2010. Zomba

⁴NSO, 2012. Integrated Household Survey 2010-2011. Household Socio-economic characteristics report. Zomba

⁵Malawi Demographic Health Survey, 2010

⁶National Statistics Office, June 2013

⁷FEWS NET Malawi Security Outlook July to December 2013

5. The required level of emergency assistance exceeds the Government's capacity to respond. Traditionally, WFP has relied on the Government to provide the maize requirement for the response. However, current stocks in the country's strategic grain reserves are very low primarily due to slow replenishment of the stock drawn-down as well as some 30,000 MT that was spoiled in 2012. Efforts to replenish⁸ the SGR are taking longer than expected due to delays in the Government procurement procedures combined with lack of liquidity by Government as well as unanticipated sharp increases in the price of maize. This implies that the Government may not be in a position to provide maize for humanitarian purposes. Therefore, the international community's support is required to respond to the impending crisis. Food assistance must be complemented with the programmes of other partners, such as seed distribution to enable affected households to plant a winter crop.
6. WFP assistance has been requested by the Government and resources now need to be allocated for implementation of a seven month emergency operation (EMOP) from September⁹ 2013 to March 2014. The lean season is anticipated to begin early this year, in October, due to abnormally high levels of green maize consumption resulting from the inability of households to buy maize from the local markets.

The Food Security and Nutrition Situation

7. The 2012/13 agricultural season in Malawi was affected by a number of factors which decreased crop production at the household level including late on-set of rains, early cessation of rains, erratic rains, and prolonged dry spells as well as several weeks of enhanced precipitation leading to localized flooding. The northern and the central regions (traditional surplus areas) where rainfall started later than normal, are the most affected in the country. In these regions, the month of March 2013 was characterized by rainfall deficits averaging below 50 percent of the long term median.
8. As households deplete their own stocks, they will begin to rely on local market purchases for their basic food needs. However, with very high retail maize prices combined with erosion of purchasing power caused by reduced earnings from crop production and high inflation, poor households will likely be unable to access adequate food through markets. According to the MVAC, expenditure on food at the time of the assessment was more than 75 percent for 42 percent of the households at a time when households were usually harvesting and consuming their own production.
9. The MVAC estimates that the food insecure population currently stands at 1.46 million people. The number of people in need of assistance is likely to increase as people's livelihoods deteriorate. This is due to depleted asset bases as a result of recurrent food shortages (for at least the past 3 to 4 years in many areas) and higher than projected price increases for maize. With lower surplus in the country this year and given also the increase in food insecurity in the southern Africa region, WFP is putting in place contingency measures for additional beneficiaries that will be validated in the October MVAC update assessment. Preliminary results of EFSA conducted in June 2013 that estimated as many as 1.93 million people (of

⁸Through funding from Norway, Ireland and the Flemish International Cooperation Agency (FICA), it is expected that the National Food Reserve Agency (NFRA) will be able to replenish 30,000mt of maize.

⁹ Implementation arrangements (including food procurement, engaging NGO partners and financial service providers for cash transfers as well as beneficiary targeting) will need to be put in place by September 2013 for the provision of food assistance to commence in October 2013.

whom 51 percent are females) in the affected districts are likely to face substantial shortfalls in household food production.

10. The twenty-one affected districts include the following: Karonga, Mzimba and Rumphu in the Northern Region; Dedza, Dowa, Kasungu, Mchinji, Ntchisi, Salima and Nkhotakota in the Central Region; and Balaka, Blantyre, Chikhwawa, Machinga, Mangochi, Nsanje, Zomba, Phalombe, Chiradzulu, Mwanza and Neno in the Southern Region. Annex III provides the map showing the affected areas. The affected districts have annual food deficits ranging from 3 to 6 months from October 2013 to March 2014.
11. An IR-EMOP has been activated for early procurement of food to enable the response to start in October, and to support other preparatory activities.
12. The food insecurity situation will contribute to the deterioration of the nutrition status of the population. Wasting and underweight in children under five years of age are at 4 percent, and 13 percent respectively; both below the emergency thresholds for intervention. However, levels of chronic malnutrition standing at a national average of 47 percent are among the highest in Africa. This is primarily correlated with lack of dietary diversity during crucial stages of growth. According to a recent nutrition assessment conducted by the Bunda College of Agriculture and UNICEF as part of the MVAC assessment, 6 out of 10 children in Malawi eat less than the recommended 4 food groups at any one time and only half eat the recommended number of meals. Thus, in this population, children are most vulnerable due to overall poor diet quality that will likely be exacerbated given current context.
13. The current situation demands immediate actions to address emergency needs through food assistance, whilst simultaneously safeguarding the gains of the CP, and protecting the foundations for future resilience building efforts of households and communities once this crisis has passed.

POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT(S) AND OTHERS POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT

14. The Humanitarian Response Committee (HRC), a body of the Government of Malawi and headed by DoDMA, coordinates government departments, United Nations (UN) agencies, non-governmental organisations (NGOs), civil society organizations and the private sector. It is involved in disaster management and contingency planning.
15. Disaster response mechanisms are reflected in the Government's National Multi-hazard Disaster Contingency Plan (2012-2013). As such, WFP will continue supporting the Government with the provision of food assistance to food insecure populations in Malawi, as well as in implementation of the Food Insecurity Response Plan, which outlines specific response measures to address the effects of disasters in the country. The Malawi Disaster Preparedness and Relief Act of 1991 is currently under review. Among other stipulations, the Act includes the establishment of a National Disaster Preparedness and Relief Fund. Resources however, are generally only made available to the Fund after a disaster has occurred, thereby delaying timely relief efforts. Food security and nutrition are reflected in the Government's Malawi Growth and Development Strategy II (MGDS) 2011 – 2016.

16. The Government of Malawi does not have sufficient resources to provide sustained food assistance to vulnerable populations in Malawi due to limited finances and other overriding national priorities. To help alleviate this, WFP is engaging the Government of Malawi through its participation in the African Risk Capacity (ARC) project to establish a contingency fund called the ARC. The ARC envisages an African-owned financial entity that will provide timely and reliable resources in the event of a severe drought by pooling risk and resources across the African continent.
17. The Government of Malawi through MoAFS is taking important steps aimed at addressing food insecurity through both short-term and long-term measures. In the short term, the Government is purchasing maize through the Agricultural Development and Marketing Corporation (ADMARC) to replenish the strategic grain reserves and to be sold later in the season at subsidized prices. Medium to long-term measures include, among other, provision of subsidized farm inputs or loans, livestock, promotion of cash earning crops such as legumes and implementation of a National Social Cash Transfer (SCT) programme.
18. Malawi is a SUN (Scaling-Up Nutrition) Early Riser country to prevent stunting (chronic malnutrition). WFP supports SUN through nutrition programmes under the CIFF (Children's Investment Fund Foundation) initiative, whose best practices will inform a possible scale-up in the country under the CP through a budget revision. Other stakeholders already promoting dietary diversification programmes to reduce stunting in the affected districts include Catholic Relief Services under the IMPACT project.
19. WFP will continue to provide technical assistance to the government to develop its capacity to implement cash transfers including on the development of standard operating procedures (SOP)'s, monitoring and reporting guidelines, and introducing the e-payment systems.

Policies, Capacities and Actions of Other Major Actors

20. The UN in Malawi is working to improve collective responses in support of the MDGS II thematic areas related to emergency responses through the Humanitarian Country Team and the Delivery as One Framework. UN agencies launched the 2012-2016 United Nations Development Assistance Framework (UNDAF) which is fully aligned to the MDGS II and the Millennium Development Goals (MDG). WFP chairs the Humanitarian Technical Working Group of the Humanitarian Country Team. The United Nations Development Programme (UNDP) coordinates the Humanitarian Emergency Fund.
21. The Food and Agriculture Organization of the United Nations (FAO) supports recovery activities to support agricultural production capacity through the provision of farm inputs and tools. The United Nations Children's Fund (UNICEF) supports therapeutic feeding to address severe acute malnutrition; leads water, sanitation and hygiene improvement initiatives; and community based management of acute malnutrition in collaboration with WFP.

Coordination

22. The National Disaster Platform is the coordination forum for all other stakeholders in the humanitarian relief sector using the cluster approach in delivering assistance.

The platform has been in place in Malawi since February 2013. WFP is co-leading the Agriculture and Food Security Cluster with FAO. WFP is a key member of other sector groups including Nutrition, Education, Protection, and Coordination and Assessment.

23. WFP will work closely with DoDMA at the central level, in collaboration with the HRC to implement the relief operation. At the district level, the response will be coordinated through the District Councils and District Executive Committees. At the operational level, implementation will be coordinated through the Joint Emergency Food Aid Programme (JEFAP), which is co-chaired by DoDMA and WFP. JEFAP is comprised of NGOs that have worked with WFP since the 2002 emergency, and has become a recognized mode of cooperation for implementing humanitarian interventions in the country.
24. WFP will also work in collaboration with the other Government line ministries and departments, sister UN agencies (i.e. FAO, UNICEF, and UNDP), Famine Early Warning System Network (FEWSNET) and other stakeholders in food security and livelihood assessments.

OBJECTIVES OF WFP ASSISTANCE

25. In line with the MGDS II, UNDAF and Strategic Objective 1 of the WFP Strategic Plan (2008-2013), to save lives and protect livelihoods in emergencies, this operation seeks to meet the immediate food needs and protect livelihoods of the victims of natural disasters and economic shocks.
26. Protection and gender concerns are central in the implementation of this operation, focusing on monitoring any negative impacts of WFP activities on women, men, boys and girls. This operation is therefore designed to foster strong coherence with the WFP Gender Policy and in compliance with the requirements of the Gender Marker, as well as WFP's protection policy.

BENEFICIARIES AND TARGETING

27. For contingency measures and better planning, WFP plans to reach 1.93 million vulnerable and food insecure people based on the EFSA findings (refer to Table 1 below and Annex IV provides details on project beneficiaries). These contingency figures will be validated in the October MVAC update assessment. Actual implementation of the response will follow official government figures as provided in the MVAC assessments. NGOs including OXFAM and some faith based organisations that also run relief efforts are expected to cover part of the relief response (discussions on geographical allocations are on-going). Geographic and beneficiary targeting will take place as described below.

Geographic targeting

28. The MVAC identified the districts and traditional authorities (TAs) in need of food assistance. These areas will be targeted separately by WFP and NGOs such as OXFAM that will implement parallel operations mainly through cash transfers. The split is still under discussion¹⁰.

Beneficiary targeting

29. WFP will work with cooperating partners, district councils and traditional authorities to manage a community-based targeting process in order to select the most vulnerable households. Beneficiaries will be identified at the household level following identification of the most vulnerable villages within the TAs that were reported by the MVAC to be affected. Guidelines on targeted food distributions from the JEFAP targeting manual will be used to target the beneficiaries. The manual outlines the social and economic indicators used to identify the most poor and vulnerable households. Special attention will be given to ensure that women are equally involved in decision making with regards to targeting. Households targeted include moderately and severely food insecure households with special attention given to households that have been displaced, lost income and assets, households headed by women and children, and those with elderly, disabled, chronically ill people and orphans.

Targeted food and cash transfers

30. The majority of the targeted population will be supported through in-kind food transfers provided through household rations, whereas an estimated 15 percent of the affected population to be assisted by WFP will be reached through household cash transfers. Targeting of areas for cash or food transfers will take into consideration functionality of the markets, food availability, local production and physical access to the markets. A WFP-supported national market assessment underway (to be concluded by end-August 2013) as part of the annual MVAC assessment will determine the appropriateness and feasibility of cash-based interventions as well as inform the design and implementation of such an intervention. The cash transfer response will build on experience gained in the 2012/13 relief operation where WFP implemented the largest ever emergency cash transfer programme in Malawi reaching over 125,000 people.
31. The Country Office will conduct a cost effectiveness and efficiency analysis that will determine the choice and levels of transfer modalities based on the findings of the market assessment. A micro-financial sectoral capacity assessment as well as mobile phone network coverage assessment in target areas will complement the decisions on cash transfers. A gender analysis will also be done as part of the market assessment. This will provide a better understanding of the protection and gender issues associated with cash transfers and therefore inform decisions on how best to address them during programme implementation. The Country Office will use the Cash Account Distribution Model, with eligible household heads receiving transfers either through commercial banks or mobile network operators (MNO). The banks will utilise tellers, mobile banks (vans) and ATMs as appropriate, while the MNO will disburse money through e-wallets with redemption at dedicated agents and super agents. Beneficiaries targeted for cash transfers under MNOs such as Airtel Money or TNM Mpamba will provide cellular hand-sets and SIM

¹⁰ Any substantial changes to the WFP allocation will be reflected through a budget revision.

cards to beneficiary households as needed. An assessment will be conducted to determine if a beneficiary will need a mobile phone handset or not.

32. The design of this EMOP is greatly informed by the preliminary findings and recommendations of the 2012/13 emergency food assistance final evaluation. For example, there will be increased community sensitisation for effective beneficiary targeting. Other areas for improvement include liquidity of financial service providers for cash transfers and the food and cash distribution process.

Complementarity and overlaps

33. Implementation of this EMOP will be planned to ensure complementarity and linkages with other on-going WFP operations in the country. For instance, WFP Country Programme (CP 200287) aims to implement three components from 2012 to 2016: (1) support to education, (2) nutrition support and (3) disaster risk reduction (DRR) for food security. Under the CP, WFP is planning to reach 1,926,400 beneficiaries over the next five years in all districts of the country. Activities of the CP will therefore be implemented over the same period as the EMOP 200608 for 2013/2014.
34. Some aspects of the CP will overlap geographically with the EMOP and will therefore be of strategic importance to the latter. For example, component 1 of the CP, support to education, will overlap with the EMOP in nine districts. In areas where there is overlap with school meals, the EMOP ration will cover 71 percent of the daily kcal requirement and the school meals will cover additional kcal requirements, aiming to be a protective and complementary ration to serve the most vulnerable children. In the case of overlap, the EMOP ration will not be reduced as it targets households rather than school children. WFP is actively mobilizing resources to expand its school feeding activities to areas not currently covered, prioritizing the peri-urban and urban areas situated in areas identified by the MVAC to be food insecure.
35. Furthermore, it is envisaged that there will be strategic linkages between the nutrition interventions carried out under the CP and the relief assistance provided under the EMOP. Firstly, the CP has a wide coverage of supplementary feeding in the country, which is treatment in nature for moderate acute malnutrition covering all 28 districts. WFP also plans to scale up supplementary feeding, if required, to accommodate any anticipated increases in acute malnutrition. The acute malnutrition rate is currently below the response trigger point (<5 percent). However, the impact of severe food insecurity on moderate acute malnutrition can be very rapid. Therefore as part of the general ration, Super Cereal has been included in the food basket to provide a preventative measure from acute malnutrition in the targeted districts. WFP will also continue to closely monitor the nutrition situation through the existing monthly admissions monitoring system being implemented at health facilities under the supplementary feeding programme.
36. With regard to the DRR component 3 of the CP, this EMOP will overlap in nine of the planned districts. Of these nine districts, relief will be provided to new populations experiencing acute food insecurity resulting from the present food insecurity situation. The chronically food-insecure populations will be reached with asset-creation activities under the CP. The use of relief assistance in this context will protect existing assets, thereby maintaining an asset foundation on which longer term programmes to build resilience will be done once the food

insecurity period has passed. In addition, it is expected the EMOP will prioritize targeting the labour constrained ultra-poor and food insecure households, while the DRR component of the CP, funding permitting, will focus on targeting food insecure households with labour. Households will therefore not benefit from both programmes at the same time.

37. Some geographic overlap is also anticipated between the EMOP and other social protection programmes in the country, such as the National SCT programme and the public works programme. Although the National SCT programme is implemented countrywide, due to funding constraints, it only targets a small caseload, around 10 percent of the ultra-poor who are unable to work in each district. The SCT, aimed at reducing poverty, also provides a lower cash transfer value at US \$7 and is insufficient to buy the whole food basket under the EMOP to cover food needs of households deemed food insecure. It may therefore be necessary to include these beneficiaries in the relief assistance programme if they are deemed food insecure. In cases where this overlap happens the goal is to ensure that overall assistance meets the person's food gap, and that the beneficiary's asset base is not eroded. The assistance programmes will therefore complement each other; whereby for instance, food assistance will free up money received from SCT programmes for other necessities besides food. Post distribution monitoring (PDM) will assist in tracking the benefits of the overlaps. Overlap will also likely happen with the public works programme, but the short-term nature of this programme means that the beneficiaries will only receive assistance for a maximum of two months (not consecutive) during the lean season. This short-term assistance will not be sufficient to meet food needs.
38. To facilitate integration of response activities between the EMOP and social protection, an existing system on beneficiary registration will be used to link the two programmes. In areas where a social protection intervention exists, EMOP will utilise the social protection registration database and visa-versa. This will be coordinated with the NGO and government partners. This will in turn improve efficiency and maximize intervention impact to ensure that the most vulnerable do not slip back into food insecurity.
39. Furthermore, as most NGO partners supporting the response implementation on the ground have on-going development programmes, there will be efforts to ensure linkages between the emergency relief and current resilience building and other development programmes. This ensures that the response interventions are concerted and reinforcing each other for maximum and sustainable outcomes.

TABLE 1: BENEFICIARIES BY ACTIVITY ¹¹			
Activity	Boys/Men	Girls/Women	Total
Targeted in-kind Transfers	803 236	836 022	1 639 258
Targeted Cash Transfers	141 746	147 532	289 278
Total	944 982	983 554	1 928 536

¹¹At commencement in October, only 1,368,906 people will be targeted and the rest will be targeted through progressive scaling up to reach the peak at 1,928, 536 people by January 2014.

NUTRITIONAL CONSIDERATIONS AND RATIONS / VALUE OF CASH / VOUCHER TRANSFERS

40. All food rations are based on WFP standard nutrition guidelines for food assistance in an emergency context. WFP is in discussions with the Government on the composition of the food basket to ensure that all concerns are addressed¹². The value of the cash transfer will be based on the prevailing market prices for the intended food basket in the TAs designated to receive cash transfers and it will be reviewed, and adjusted if needed, on a monthly basis. Therefore, the monthly transfer values may differ among the targeted TAs as it is based on the market prices in each location. Table 2 provides the food rations and cash transfer value for each activity.
41. WFP will endeavour to provide locally preferred food items that are culturally accepted consisting of maize, pulses and vegetable oil. Noting the high nutrition risk of children in the country a daily ration of 150 grams Super Cereal per household has been included in the food basket intended for young children; providing 564 kcal per day. The ration for the targeted in-kind food assistance will provide 1,362 kcal per person per day, as its objective is to provide the missing food entitlement of the targeted households while other sources of food¹³ will complement this ration to meet the standard 2,100 kcal requirement.

TABLE 2: FOOD RATION/ TRANSFER BY ACTIVITY <i>(g/person/day)</i>			
Description	Targeted In-Kind Food Transfers	Targeted Cash Transfers	Household Nutrition Ration for Children
Maize	303		
Pulses	61		
Vegetable oil	11		
Super Cereal			150
Cash/voucher		0.30	
Total	375		150
Total kcal/day	1,362		564
% kcal from protein	12.5		16.3
% kcal from fat	15.8		19.2
Number of feeding days or per month	30	30	30

42. WFP will give training/orientation to NGO partners to ensure that during distribution a clear message is given to the household that the Super Cereal ration

¹²During the 2012/2013 emergency response, WFP faced some reservations from the government on including vegetable oil in the basket for general food distributions.

¹³ The general ration is planned to complement the existing food sources/options that households have. Other sources of food to complement the ration include small amounts of food stocks from own production, remittances and petty trade.

is meant for young children to meet their nutrient needs. WFP will do PDM to access the compliance on the usage of Super Cereal at household level and reinforce the message if found necessary.

43. Under the targeted cash transfers, the estimated monthly transfer value is US\$49 per household for an average household of 5.5 people giving an equivalent to the cost of the targeted food transfer ration in the local markets. The monthly cash entitlement will be adjusted to ensure that targeted households are able to meet minimum food requirements while ensuring cost efficiency through the transfer modality. The following equation will be applied to determine the value of the transfer per household per month:

$$V_{tm} = 50P_{mz} + 10P_{pl} + 5P_{sc} + 1.84P_{vo}$$

Where

- V_{tm} = value of household transfer per month
- P_{mz} = average monthly price of 1kg of maize grain
- P_{pl} = average monthly price of 1kg of pulses
- P_{sc} = average monthly price of 1kg of Super Cereal
- P_{vo} = average monthly price of 1litre of vegetable oil

44. This formula accommodates adjustment of the monthly transfer amount based on market price fluctuations. Market prices, food commodity supply, availability and trader behaviour will be closely monitored throughout the project cycle. Maize is expected to be the main determinant of the variation in the monthly transfer value. The threshold maize price beyond which the decision to continue with cash transfers will be re-visited, is pegged at MWK250/kg. Should the market environment become unpredictable with significant price fluctuations within a month, the monthly household transfer value will be adjusted with an inflation factor based on trends over the past 3 months to be agreed with the Government. The Country Office will set 3 to 4 weeks allowance as the lead time for switching to in-kind food distributions. This lead time allows for in-kind food procurement as well as price predictions (both in-kind and retail). All monthly household cash transfer values will have to be endorsed by the Government before transfers to beneficiaries are made. The decision to stop cash transfers in any location during the project implementation period will be followed by a switch to food transfers.
45. A total of 104,338mt of food commodities are needed to implement the EMOP as indicated in Table 3 below. The cash transfer component is estimated to cost US\$13,760,345.

TABLE 3: TOTAL FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY (mt)			
Commodity Type/ Cash & Voucher	Targeted in-kind food transfers	Targeted Cash Transfers	Total (mt or US\$)
Maize	77 917		77 917
Pulses	15 583		15 583
Vegetable Oil	2 916		2 916
Super Cereal	7 922		7 992
Cash/voucher (US\$)		13 760 345	13 760 345
Total	104 338	13 760 345	

IMPLEMENTATION ARRANGEMENTS

Community Participation

46. In order to accommodate the views of the affected populations for programming improvement, a community-based participatory approach will be used to ensure the affected populations play an active role in the decision-making processes that affect them. Beneficiaries, including the most marginalized (i.e. women) will have the opportunity to influence key aspects of planning and implementation of the project activities such as implementation of the targeting criteria, locations of the FDPs, food/cash distribution and on-site monitoring.
47. WFP's NGO partners will conduct community sensitizations and register targeted beneficiaries in liaison with the village civil protection committees. Verification will be a continuous process of checking and eliminating inclusion errors, to make sure that the programme targets the right beneficiaries. The District Councils will work in collaboration with the NGO partners to conduct verification of beneficiaries at community level through door to door, community random interviews (both non-beneficiaries and beneficiaries). If the targeting inclusion error is more than 5 percent, WFP will recommend full verification of targeted beneficiaries. Continuous community sensitization and beneficiary verification will assist to reduce incidents forced ration sharing, often imposed by local leaders.

Gender Considerations

48. In order to give women direct access to food and cash, WFP will ensure that ration cards are issued in the name of women, where women are not the head of households. Before the start of the project, cash transfer beneficiaries, especially women, the elderly and those with less technological skills will be given special attention in terms of training on use of mobile phones.
49. To ensure that women play a leading role in decision-making with regard to the management of food assistance, WFP will ensure that at least 50 percent of food committee members are women and that where possible these women play a leading role in the committees. Through Field Level Agreements signed by WFP and cooperating NGO partners, all partners will commit themselves to abiding by

WFP's Gender policy. All partners will also commit to following the Inter-Agency Standing Committee (IASC) code of conduct on the prevention of sexual exploitation and abuse as well as the Accountability to Affected Populations (AAP) as agreed by the IASC Principals in December 2011.

50. Given that food assistance may pose security risks, particularly for women, special measures will be taken to prevent sexual and gender based violence where women are the beneficiaries. The risk of household violence will be mitigated through sensitizations by partners that clearly outline the purpose of the food assistance. Information, education, communication (IEC) materials will be produced and distributed at the final distribution points (FDP)'s for general awareness and advocacy. These will include posters and brochures highlighting the problems of sexual exploitation and abuse. The Country Office will work in close consultation and cooperation with specialised protection organisations (government, UN and NGO partners) on the content of the gender and messaging.

Partners and capacities

51. WFP will provide food assistance using NGO partners. Cooperating partners have the capacity to implement both in-kind food and cash transfers. Currently, six out of the seven traditional NGO partners have some previous experience in cash transfers. The role of the NGO partners will remain almost the same for either the cash or food response focusing on community sensitization/awareness, beneficiary targeting, verification and registration, market price monitoring, post distribution monitoring and managing beneficiary complaints.
52. WFP will train its NGO partners on cash transfers SOPs and monitor them against the SOPs throughout the response period. The NGO partners implementing the in-kind food component will also be trained on programme implementation and will be monitored on a monthly basis using a key performance indicator checklist to assess how well they are managing the programme. WFP will also provide feedback to NGO partners on a regular basis on the quality of their reporting. If the NGO partner is underperforming, WFP will work with them to improve; however, if no improvements are seen, WFP will terminate the contract and substitute with another NGO partner.
53. Cases of sexual abuse will be addressed accordingly through a complaints desk as well as a suggestion box to be placed at the final distribution points (FDP) during the food distribution day, for further reference to law enforcement authorities. Final distribution point committee members jointly with the village civil protection committees will manage the beneficiary complaints process with support from the NGO distribution staff. The mobile phone service platform will be used to leverage reach in terms of sensitization. Sensitization using mobile phones short text message service (SMS) to send beneficiaries short messages on sexual and gender based violence, HIV, and nutrition would complement the rest of the IEC strategies and ensure a very efficient use of available technology. Both men and women will receive the messages equally. These complaints mechanisms will be accompanied by a strong information campaign at community and FDP level to ensure that all community members know how to access the mechanisms and what the process for reviewing their complaint will be.

Procurement

54. Local purchase will be the preferred option in terms of the lead time and specifications. However, given the current market conditions and food availability WFP will use the Forward Purchase Facility (FPF) and /or alternatively regional procurement where necessary depending on commodity availability and price levels. WFP will purchase vegetable oil internationally or regionally as the locally available vegetable oil does not meet WFP standards.
55. WFP will pursue local purchase using its Purchase for Progress (P4P) initiative, primarily through the Agriculture Commodity Exchange for Africa (ACE) to support smallholder farmers and facilitate agricultural market integration in Malawi.

Logistics

56. Food procured or donated in-kind will be stored in the main WFP warehouse facilities in Blantyre and Lilongwe for further delivery to extended delivery points and FDPs. WFP will be responsible for the timely transport, storage and management of food commodities to the designated extended delivery points. NGO partners with the support of the District Councils and the beneficiary communities will manage food stocks at the FDPs.
57. WFP commodities will be tracked by the Commodity Movement Processing and Analysis System (COMPAS) and will work closely with partners to ensure timely reporting.

Non-food inputs

58. WFP cooperating partners are expected to contribute non-food items for project implementation including office premises, staffing, vehicles and meet other operational costs in keeping with the cost sharing principle of the WFP-NGO partnership. Community contribution will be in the form of volunteerism through the village civil protection committees that will work together with the NGO partners in community mobilization and beneficiary targeting.

PERFORMANCE MONITORING

59. WFP standard guidelines will guide the process of monitoring and evaluating the activities under this EMOP. Output indicators of each component will be assessed on a monthly basis to measure performance and to take corrective actions. To best track the outcome of the response, the emergency food security assessment (EFSA) will be used to set the baseline/benchmarks of the operation and an independent impact evaluation of both food and cash transfers at the end of the intervention in all the targeted districts. Outcome indicators such as food consumption score and coping strategy index will be used to measure improvements arising from the food assistance intervention. This will also allow comparison between beneficiaries receiving in-kind food assistance and cash transfers. A separate assessment will be done to assess the impact of cash transfers on the local economy. The Country Office will include the revised indicators on gender as laid out in the guidance from HQ on standard project report in addition

to these provided in the current PPIF matrix for 2013 reporting. The logical framework is attached as Annex II.

60. Distortion of the market price of both food and cash transfers in the targeted districts might occur if the intervention is not well implemented. As there is further risk of creating inflation with the cash transfers, WFP will monitor the market prices of both food and other commodities carefully in places where cash transfers will be implemented as part of the response. A price monitoring system was established during the 2012/13 emergency response whereby price data was collected fortnightly by cooperating partners and submitted to WFP for consolidation and analysis. The same system will be used for this operation. Further comparison with government market price data will be made whenever available to determine the monthly transfer values.
61. NGO partners with WFP technical support and supervision will conduct distribution and PDM of the in-kind food and cash transfers bi-monthly. Data collection will be done starting two weeks after final distribution. Analysis and report writing will also be done by the NGO partners with WFP technical support. PDM conducted by the NGO partners will be part of the capacity building plan. WFP will lead a joint PDM at the mid-way point of the response to verify and validate the PDM findings as well as being part of continual capacity building. Final results of this PDM, including recommendations, will be shared with all the partners for action including retargeting for inclusion errors. Results from the PDM will be shared on bi-monthly basis to donors, partners and Government through the implementation progress report.
62. To track implementation performance, WFP will allocate Field Monitoring Assistants (FMA's) in 15 districts of whom 8 will be additional/temporary staff specifically for this response. The FMAs will be responsible for tracking programme implementation (including distribution monitoring and supervision of PDM) at district level and provide feedback through weekly reports to the Country Office monitoring and evaluation team. The FMAs will coordinate their monitoring activities with the respective NGO and government counterparts at district level.

HAND-OVER STRATEGY

63. WFP will look at the most appropriate tools for the Malawi context and needs to respond to future shocks by expanding the CP activities such as DRR and other conditional social safety net programs and/or a new Protracted Relief and Recovery Operation (PRRO) where relevant.
64. WFP vulnerability assessment and mapping systems will inform decisions on appropriate food assistance strategies, beneficiary requirements and capacity of the Government and cooperating partners in the context of recurrent shocks and a longer-term strategy for capacity and resilience building. In collaboration with sister UN agencies within the UNDAF framework, WFP will continue to work closely with the government institutions to strengthen their capacities through technical support and training in order to prepare them for future food emergencies. Through the CP, technical support to the Government will encompass further training on the EFSA methodology, while through this EMOP support will focus on the job training on project design (including development of

funding proposals) and implementation monitoring and reporting both at the national and district levels.

RISK MANAGEMENT

65. This EMOP is subject to a number of contextual, programmatic and institutional risks as outlined below. The Country Office will make available sufficient staffing to implement the identified mitigation actions.

Contextual risks

66. As the country is still recovering from economic difficulties, it is expected that the fuel scarcity problem may resurface and affect the operation with delays or non-deliveries of food to the beneficiaries. WFP has received assurances from DoDMA who will arrange fuel reservations with the suppliers in strategic locations to ensure that vehicles to be used in the operations have access to fuel at all times.
67. Sharp price increases in fuel are also anticipated, which would affect the commercial transport sector partners. To mitigate against this the Country Office will employ use of a stable foreign currency (US dollar) and inclusion of increased inflation in budget estimations.
68. Commodity prices may rise even further than expected due to speculation. Under such a situation, WFP may import from regional markets. The markets will be monitored to allow for the use of appropriate procurement modalities in order to get the best price possible. The Country Office will undertake a budget revision of the EMOP to reflect the increase in commodity prices, if needed.
69. Heavy rainfall might make some areas inaccessible for delivery of food commodities for distribution. WFP will need to pre-position the food supplies in the most difficult to reach areas and otherwise deploy its heavy duty 4x4 trucks to access these specific routes to deliver the food.
70. As the operations coincide with general elections in 2014, political interference may threaten the targeting and implementation process. There is need for close monitoring of this situation.

Programming risks

71. More often commercial transporters have failed to immediately lift the WFP food due to cash liquidity problems and have therefore been reluctant to sign further contracts with WFP. WFP Country Office will review the need to continue providing transporters with advance finances to enhance their liquidity.
72. WFP and its cooperating partners will enhance market price monitoring and reporting systems to ensure that geographical and beneficiary targeting is appropriate, as guided by the market assessment, and effective in reaching the most affected households. Any required corrective measures will be taken on a timely basis.

73. In order to mitigate the risk of women’s exposure to domestic violence related to the use of mobile phones¹⁴, the Country Office will ensure the following: i) close follow-up through PDM; ii) information sessions held at the community level as well as at FDPs to address the issue of domestic violence and inform beneficiaries on how to report cases; and iii) sensitize communities and beneficiaries on the use of mobile technology.

Institutional risks

74. Late funding will prevent WFP from delivering in time or implementing its activities at full scale. Early mobilization of funds will be critical to enable WFP to implement its activities.

75. WFP acknowledges that poor commodity and financial management by partners is also a risk. To mitigate against this, WFP will conduct training to the partners upon request. Any evidence of malpractice will lead to termination of the contract and substitution with another NGO partner.

Security Risk Management

76. Malawi is regarded as a peaceful country. However, as the country moves towards general elections in 2014, political campaign rallies may induce some violence which could lead to disruption of food assistance activities. WFP will be in close contact with the United Nations Department of Safety and Security (UNDSS) and its designated security officer will ensure that staff members receive regular updates on key security risks and will advise on precautionary and mitigation measures. Furthermore, WFP will ensure compliance with minimum operating security standards (MOSS) and secure telecommunications requirements.

RECOMMENDATION

The Executive Director and Director-General of FAO are requested to approve the proposed Emergency Operation (Malawi 200608).

APPROVAL

.....
Ertharin Cousin
Executive Director
Date:

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José Graziano da Silva
Director-General of FAO
Date:.....

Drafted by: Duncan Ndhlovu, Programme Officer
Cleared by: Coco Ushiyama, Country Director, 28 August, 2013
Reviewed by: Erin Tansey, OMJ Regional Bureau on 29 August 2013
Cleared by: Sarah Longford, OMJ Regional Bureau on 9 September, 2013
Reviewed by: [name] Programme Review and Support (ODXPS)

¹⁴The use of mobile phones may expose women food assistance beneficiaries to security risks. In particular, mobile phone ownership by women may make their male partners become suspicious, leading to unintended consequences such as domestic violence.

ANNEX I-A

PROJECT COST BREAKDOWN			
Food	Quantity (<i>mt</i>)	Value (<i>US\$</i>)	Value (<i>US\$</i>)
Cereals	77 917	25 593 125	
Pulses	15 583	8 462 190	
Oil and fats	2 915	4 521 881	
Mixed and blended food	7 992	4 594 864	
Others			
Total food	104 338	43 172 060	
Cash transfers		13 760 345	
Voucher transfers			
Total food, cash and voucher transfers			56 932 405
External transport			803 642
Landside transport, storage and handling			20 887 612
Other direct operational costs			4 228 100
Direct support costs (see Annex I-B)			3 588 930
Total WFP direct costs			86 440 689
Indirect support costs (7 percent)			6 050 848
TOTAL WFP COSTS			92 491 537

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff-related costs	
International professional staff	396 095
International general service staff	
Local staff - national officers	236 083
Local staff - general service	193 325
Local staff - temporary assistance	251 858
Local staff – overtime	18 000
Hazard pay and hardship allowance	
International consultants	95 667
Local consultants	
United Nations volunteers	
Commercial consultancy services	
Staff duty travel	761 400
Subtotal	1 952 428
Rental of facility	118 552
Utilities	41 000
Office supplies and other consumables	120 000
Communications services	76 000
Equipment repair and maintenance	50 000
Vehicle running costs and maintenance	353 000
Office set-up and repairs	38 000
United Nations organization services	100 000
Subtotal	896 552
Vehicle leasing	94 350
Communications equipment	576 500
Local security costs	69 100
Subtotal	739 950
TOTAL DIRECT SUPPORT COSTS	3 588 930

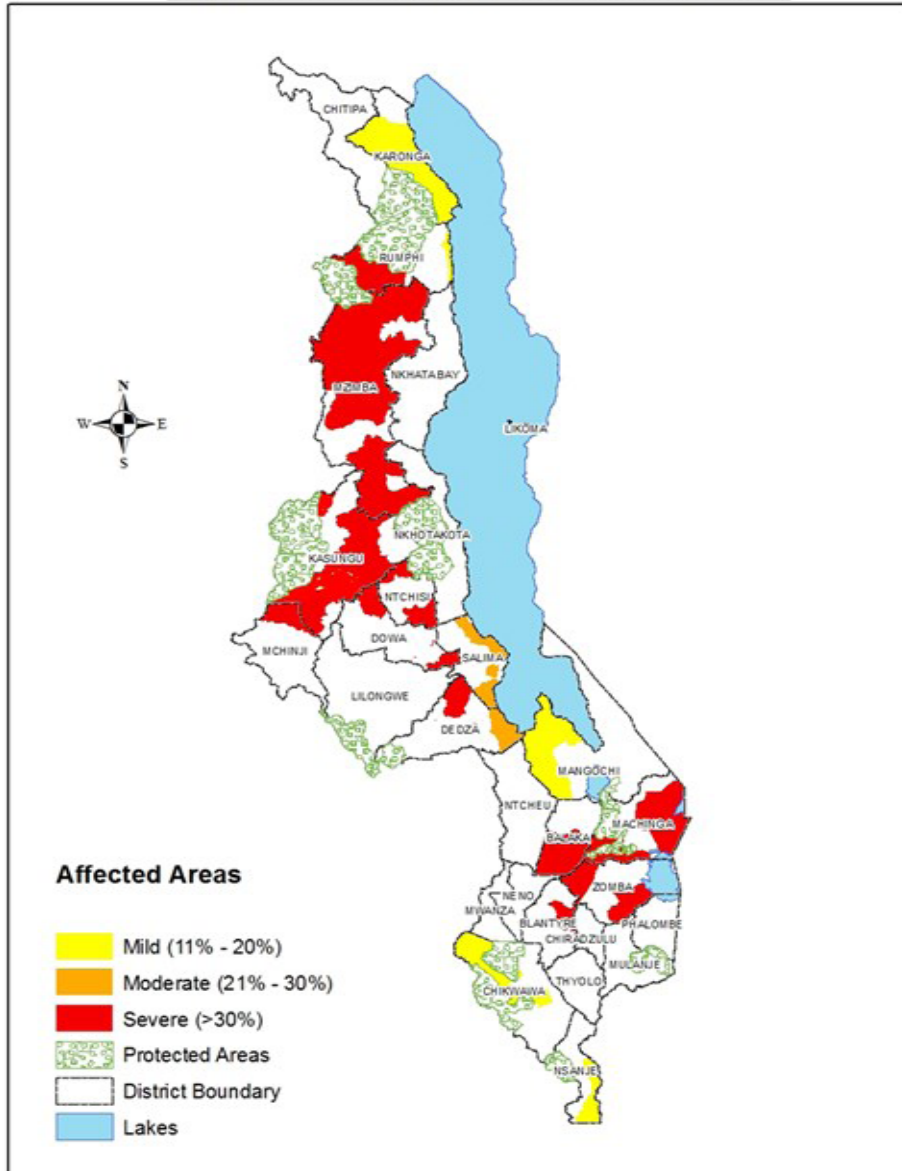
ANNEX II: LOGICAL FRAMEWORK

Results	Performance indicators	Assumptions
Strategic Objective 1 SAVE LIVES AND PROTECT LIVELIHOODS IN EMERGENCIES		
<p>Outcome 1</p> <p>Improved food consumption over assistance period for target households</p>	<p>Percentage of household with borderline to acceptable food consumption score Baseline: 72.1%Target: 90% Data source: Household Survey</p> <p>Percentage of households with decreased coping strategy index (CSI) Baseline: 66% Target: 80% of targeted households with stabilized or reduced CSI Data source: Household Survey</p>	<p><i>Minimal sharing of the distributed to the targeted beneficiary households</i></p> <p><i>Food and cash is timely delivered to the beneficiaries</i></p>
<p>Output 1.1</p> <p>Food items and cash distributed in sufficient quantity and quality to targeted women, men, girls and boys under secure conditions</p>	<p>Number of beneficiaries receiving assistance as % of planned (disaggregated by activity; by food and cash transfers vouchers; and by women, men, girls, boys) Target: 100%</p> <p>Quantity of food assistance distributed, as % of planned distribution (disaggregated by type) Target: 100%</p> <p>Total amount of cash transferred to beneficiaries (disaggregated by women, men, girls, boys) Target:US\$13,760,345</p>	<p><i>Funding is available throughout the assistance period;</i></p>

ANNEX III

MAP OF MALAWI SHOWING THE FOOD INSECURE AREAS IN 2013

MVAC-2013: AFFECTED AREAS



ACRONYMS USED IN THE DOCUMENT

AAP	ACCOUNTABILITY TO AFFECTED PERSONS
ACE	AGRICULTURAL COMMODITY EXCHANGE FOR AFRICA
ADMARC	AGRICULTURAL DEVELOPMENT AND MARKETING COOPERATION
COMPAS	COMMODITY MOVEMENT PROCESSING AND ANALYSIS SYSTEM
CSI	COPING STRATEGY INDEX
DoDMA	DEPARTMENT FOR DISASTER MANAGEMENT AFFAIRS
EMOP	EMERGENCY OPERATION
FAO	FOOD AND AGRICULTURE ORGANISATION OF THE UNITED NATIONS
FDP	FINAL DISTRIBUTION POINT
FEWSNET	FAMINE AND EARLY WARNING SYSTEM
HRC	HUMANITARIAN RESPONSE COMMITTEE
IASC	INTER-AGENCY STANDING COMMITTEE
JEFAP	JOINT EMERGENCY FOOD ASSISTANCE PROGRAMME
LTSH	LANDSIDE TRANSPORT, STORAGE AND HANDLING
MDG	MILLENNIUM DEVELOPMENT GOALS
MGDS	MALAWI GROWTH AND DEVELOPMENT STRATEGY
MoAFS	MINISTRY OF AGRICULTURE AND FOOD SECURITY
MOSS	MINIMUM OPERATING SECURITY STANDARDS
MVAC	MALAWI VULNERABILITY ASSESSMENT COMMITTEE
NGO	NON-GOVERNMENTAL ORGANISATION
NSSP	NATIONAL SOCIAL SUPPORT PROGRAMME
PDM	POST DISTRIBUTION MONITORING
PRRO	PROTRACTED RELIEF AND RECOVERY OPERATION
SGR	STRATEGIC GRAIN RESERVE
SMS	SHORT TEXT MESSAGE SERVICE
TA	TRADITIONAL AUTHORITY
UN	UNITED NATIONS
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNDSS	UNITED NATIONS DEPARTMENT OF SAFETY AND SECURITY
UNICEF	UNITED NATIONS CHILDREN’S FUND