



WFP The Republic Of South Sudan (ROSS) SPECIAL OPERATION 200634

Country:	The Republic of South Sudan
Type of project:	Special Operation
Title:	Provision of Humanitarian Air Services in The Republic of South Sudan
Total cost (US\$):	US\$ 30,649,399
Duration:	Twelve months (1 January 2014 to 31 December 2014)

Executive Summary

This Special Operation (SO) is designed to continue the provision of access to the humanitarian community by air to locations within the Republic of South Sudan through a safe, reliable, effective, and efficient service during 2014.

From 1 January to 31 December 2013, the previous project was implemented through SO 200523. This new SO, number 200634, is a continuation to project 200523, and seeks to meet the same project objectives.

WFP South Sudan Country Office will manage the new project (SO 200634), through its United Nations Humanitarian Air Service (UNHAS), in consultation with the Steering Committee and the User Group. UNHAS flights will provide access for the humanitarian community connect main towns and to reach remote and isolated programme-implementation locations through a demand-driven, customer-oriented service.

It is estimated that the service will be used by more than 200 humanitarian organisations, which include United Nations agencies, non-governmental organisations and donor/diplomatic representatives as well as other missions assisting in the humanitarian effort in South Sudan.

The operation will be conducted using a fleet of seven aircraft based across Juba, Rumbek, and Bor, to ensure service to 29 destinations on a regular basis.

This Special Operation is for the duration 1 January - 31 December 2014 at a budgeted cost of **US\$ 30,649,399**. 60 per cent of the project cost is expected to be raised through donor contributions and the remaining 40 per cent of funds required (approximately US\$ 12 million) will be generated through a nominal booking fee of US\$ 200 per passenger and US\$ 3 per kilogram of cargo. This cost-recovery fee structure was endorsed by the Steering Committee in May 2013. Any further modifications in cost recovery methods will be taken in consultation with stakeholders.

The UNHAS South Sudan budget for 2014 operations was prepared in line with WFP's revised Financial Framework. In accordance with corporate internal controls, various reviews (both internal and external) were carried out on UNHAS South Sudan in 2013,

and resulting recommendations have been taken into consideration for the project implementation plan for 2014. These aim at improving transparency, enhancing customer satisfaction, and increasing donor confidence.

Project Background

The United Nations Humanitarian Air Service (UNHAS) activities first started in the Republic of South Sudan (ROSS) in 2011. Since its establishment, UNHAS South Sudan has been implemented through SO 200341 in 2011-2012 and through SO 200523 in 2013. This new SO 200634 is an expansion of 200523 and will follow similar project objectives for 2014.

South Sudan has a population of approximately 8.23 million people in ten states spread across an area of 650,000 square kilometres. It remains one of the least-developed countries in the world and continues to be embroiled in a prolonged and complex humanitarian emergency.

First, the security situation remains uncertain in a number of areas, with on-going armed hostilities between the South Sudanese Armed Forces and non-state armed groups in addition to inter-communal clashes. In spite of the Addis Agreements of 2012 and 2013, relations between South Sudan and neighbouring Sudan remain tense. Southern Kordofan and Blue Nile's conflict results in further displacement of populations southward, and the status of the contested Abyei region is yet to be resolved. Second, insecurity in the West Darfur region of Sudan continues to result in cross-border movements of people into South Sudan. Third, perennial flooding results in temporary displacements of the population and periodically makes surface travel impossible.

The UN Office of Coordination of Humanitarian Affairs (OCHA) has estimated that, in 2014, approximately 125,000 people are likely to be displaced internally by violence in Central Equatoria, Jonglei, Upper Nile, Unity and Northern Bahr el Ghazal States. It is also projected that between 3.2 and 4.6 million people across the country are at serious risk of being food-insecure. Based on current trends, it is estimated that the number of South Sudanese returnees from Sudan--who will require humanitarian support--may reach 50,000 in 2014. Additionally, UNHCR estimates that 270,000 refugees--245,000 from Sudan and the rest from other neighbouring countries¹--will require humanitarian support. The Government capacity to deliver basic services remains low, while a stagnated and fragile economic climate exacerbates widespread poverty and existing socio-economic inequality.

The scope of the humanitarian operation is huge – one of the biggest in Africa – and more frontline partners are needed to ensure an effective response. However, the operating environment remains challenging, as aid organisations face extreme difficulty in the implementation and monitoring of their programmes due to significant logistical obstacles. Road travel is extremely dangerous, particularly in conflict-affected areas, thereby limiting access via surface transport. For instance, a fatal attack on a UN peacekeeping convoy between Bor and Pibor that killed humanitarian staff in early 2013 underscores the dangers associated with surface travel for humanitarians. The Government of South Sudan is committed to working closely with the humanitarian

¹ Report from [UN Office for the Coordination of Humanitarian Affairs](#) September 2013

community in order to improve the operating environment. However, with the government's meagre resources, it would take some time for gains to be realised.

Within the current context in South Sudan, the services provided by UNHAS are essential for an effective humanitarian intervention in the country. The security situation, poor road network, vast distances, and perennial torrential rains limit access by surface means. Safe air transport is very limited and the few commercial operators available fall short of international standards due to the lack of effective oversight by the country's infant Civil Aviation Authority.

From January to September 2013, UNHAS South Sudan's main fleet transported 64,440 passengers and 178.43 mt of light humanitarian cargo (Table 1). During the same period, UNHAS conducted 163 medical evacuations for humanitarian actors. These statistics do not include helicopter operations in Jonglei, which are funded through other WFP projects and implemented technically through UNHAS. The trend of moving at least 5,000 passengers and 25 mt cargo monthly is expected to continue based on humanitarian needs in 2014.²

TABLE 1: SUMMARY OF UNHAS ROSS ACTIVITIES										
2013										
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
HOURS	626.15	639.75	647.83	646.96	663.93	577.17	582.42	512.61	564.93	5,461.75
PAX	7,365	8,168	8,267	8,192	7,508	6,863	6,091	5,886	6,100	64,440
CARGO	21.29	15.91	16.79	16.91	17.81	21.78	20.93	22.41	24.6	178.43
EVACUATIONS	15	28	14	17	16	17	17	19	20	163

Project Justification

South Sudan is one of the world's most challenging operating environments. Poor infrastructure and perennial rains render the country's already limited road network impassable, thereby compounding the problem of humanitarian access to isolated beneficiaries. With approximately 10,000 kilometres of gravel roads, only less than half of that network is accessible all year-round due to the country's torrential rains, deplorable bridges, and the presence of mines. During the rainy season, a mere one-third of airfields in the regular flight schedule can be accessed continuously.

According to the OCHA's forecasts the overall humanitarian situation in South Sudan is expected to somewhat improve in 2014. However, humanitarian operations will continue during the year and a multi-sectorial response will be required over the next few years. Given the context of the complexity of the emergency (operational dimension,

² From June to September the helicopter operations transported 1,847 passengers, 1,038 mt of cargo and flew 1,451 hours.

environmental challenges, poor infrastructure, and internal conflicts), UNHAS will remain crucial in enabling humanitarian actors reach needy population.

Without a viable humanitarian air operation such as UNHAS, the access required to carry out life-saving assistance across South Sudan would be severely hampered. UNHAS is a demand-driven, customer-oriented service which regularly reviews its fleet and adapts its flight schedule, with a view to optimising resources to ensure that this critical operational service is meeting the needs of the humanitarian community.

Through regular meetings with the Steering Committee and User Group, humanitarian organisations using UNHAS have expressed strong demand for the continuation of the service in 2014.

UNHAS South Sudan intends to manage the service through a continuous monitoring approach to ensure that passenger demand, the level of customer satisfaction, effectiveness, responsiveness, and cost-efficiency will be maintained at all times.

Project Objectives

The objectives of this Special Operation are:

- Provide access to remote, and isolated programme implementation locations in a reliable, safe, effective, and efficient manner to over 200 UN agencies, NGOs, and donor organisations providing humanitarian assistance to beneficiaries in South Sudan;
- Transport light relief cargo, such as medical supplies and support equipment; and
- Provide evacuation (medical and security) capacity for the humanitarian community in South Sudan.

The objectives above are linked to WFP's Strategic Results Framework under Strategic Objective 1: Save lives and protect livelihoods in emergencies.

Project Implementation

WFP will manage UNHAS in South Sudan and, through its expertise, humanitarian organisations will benefit from the service.

In line with the UN High Level Committee on Management's (HLCM) decision in 2003 that mandated WFP to establish UNHAS operations, WFP South Sudan has set up the Steering Committee and the User Group composed of United Nations agencies, NGOs, and donor representatives in Juba. The role of the User Group is to give administrative guidance and define air transport priorities to ensure effective planning. The Steering Committee – which is a more restrictive body of the humanitarian organisations and key donors, provides feedback on the quality of service, endorses proposed strategies and supports fundraising for the operation.

The operational fleet will consist of seven fixed-wing aircraft (two Dash 8, one Fokker 50, three Cessna Caravans, and one Dornier 228). These aircraft will be based in Juba, Rumbek, and Bor and tasked with a predesigned, but also flexible schedule to respond effectively to both regular demands and emergencies/evacuations.

Through the following measures, the project will be implemented using the following standard support systems and tools recognised in international air transport operations:

- Passenger and cargo booking will be made through UNHAS management structures, with appropriate tools to relay flight manifests and schedules to users in all locations with UNHAS staff/focal points presence.
- A dedicated monitoring system is in place to follow the flight progress of all aircraft through two-way radios and a satellite tracking system.
- The web-based Flight Management Application (EFMA) system is also used. The system facilitates operational planning and enhances customer service, booking, aircraft scheduling, flight manifesting, and load factors and provides cost data for management overview.
- Weekly flight schedules are published and maintained with necessary flexibility. Additionally, provision is made to respond to dedicated requests such as special flights for assessments, monitoring missions, evaluation missions, and other specific requests.

The WFP Aviation Service (OSLA) in Rome is responsible for aircraft chartering and safety oversight of the operation through an Aviation Quality Assurance System. It also provides normative guidance on operational management and staffing support.

The staffing structure is designed to cater for the complexity of the operation. The overall management, administration, and control of the operation are vested in the Chief Air Transport Officer (CATO), who reports administratively to the Country Director and technically to the Director of Logistics through the Chief Aviation Service in Headquarters. The CATO will be responsible for all operational matters including scheduling, operators' compliance, safety management, and risk management. Air Transport Officers manage the day-to-day activities and are based in the various operational bases as well as in other key destinations.

The WFP Country Director will act as the Funds Manager and the UNHAS Finance Officer will be the allotment administrator and also be responsible for managing the cost-recovery component of the operation.

UNHAS will work in close collaboration with the Logistics Cluster and other interlocutors to identify logistics gaps and coordinate the interagency transport in the country.

The project will be supported by the WFP Aviation Safety Unit through the Regional Aviation Safety Office in Nairobi, from where safety officers will perform field visits to assess the operational risk levels of operators and aircraft inspections to ensure the operation is conducted within acceptable limits of risk.

In line with the WFP Aviation Strategic plan, recommendations made by different reviews and the measures needed to keep users and donors satisfied in 2014, UNHAS will:

- Monitor its performance in terms of effectiveness and efficiencies with a value-for-money approach, using the Performance Management Tool (PMT)³, regularly reviewing its fleet of aircraft and staffing level, ensuring adequate response to demand, and striving for efficiencies.
- Implement a customer-oriented service, striving for passenger comfort and meeting their travel needs with a feedback system to allow for improvements.
- Ensure regular adequate and continued communication with passengers, user agencies, and donors.

Project Cost & Benefits

The budget for 2014 operations was prepared in line with WFP's revised Financial Framework, which is composed of the following cost categories:

- Capacity Development and Augmentation (CD&A)⁴;
- Direct Support Costs (DSC); and
- Indirect Support Costs

The total project cost for this Special Operation is **US\$ 30,649,399** as detailed in the budget below.

PROJECT COST BREAKDOWN		
SO Category	Provision of Humanitarian Air Services in S. Sudan	Value (USD)
Project Number	200634	
Capacity Development and Augmentation (CD&A):		
A – WFP Staff Related Costs (Staff directly involved in Operations)		4,519,131
B - Implementation Inputs (Operational Agreements, Communication, Vehicle leasing and maintenance)		22,039,628
Total Capacity Development and Augmentation (CD&A):		26,558,759
Direct Support Costs (DSC):		
A - WFP Staff Related Costs (Staff involved in Management and Administration)		949,651
B – Recurring expenses and Other WFP Costs		670,643
C – Capital Equipment Costs		126,300
D – Local Security Costs		158,189
E – Travel and Transportation Costs		180,756
Total WFP Direct Costs:		2,085,539
Indirect Support Costs (ISC - 7 percent) :		2,005,101
TOTAL WFP COSTS		30,649,399

In addition to the resources expected to be raised through donor contributions, UNHAS will continue charging the nominal booking fee on regular routes and full cost recovery

³ The Performance Management Project (PMP) is currently developed by WFP Aviation Service for UNHAS operations to capture UNHAS performance in a more tangible fashion. The tool aims at indicating the value-for-money of various UNHAS operations across different regions by quantifying each operation's effectiveness, level of access provided and cost-efficiency.

⁴ Prior the implementation of revised projects structure in line with the revised WFP's Financial Framework in 2014, the Capacity Development and Augmentation (CD&A) cost component was presented Other Direct Operational Costs (ODOC).

will be applied to dedicated charter flights as directed by the Steering Committee and outlined in the Standard Administrative and Operating Procedures.

The benefits envisaged for the humanitarian community under the UNHAS operation in South Sudan are as follows:

- Provision of predictable air transport services to priority destinations in order to enable humanitarian staff and donor organisations to carry out their duties in South Sudan;
- Operational efficiency and effectiveness in the implementation and monitoring of humanitarian projects;
- A common service consistent with the call by the Secretary-General for greater unity of purpose and coherence at the country level so that UN entities can benefit from one another's presence through corresponding consultative and collaborative arrangements;
- A cost-effective service that can take advantage of economies of scale through continuous monitoring and a results-based management concept; and
- A client-oriented common service that is established through a User Group responds to user needs.

Efforts will be made to contain costs and ensure value-for-money throughout the project cycle.

Monitoring & Evaluation

Based on empirical data and the project's historical statistics, key performance indicators will be reported at the end of the project and will include the following:

- Number of passengers and light cargo (in mt) transported against planned. (target: 5,000 passengers per month);
- Tonnage of light cargo transported against planned (target: 25 mt month);
- Percentage of booking requests served against promised capacity (target: 95% servicing level);
- Seat occupancy rate (target: 65%);
- Number humanitarian organisations utilizing the service (target 200 user organisations); and
- Percentage response to medical and security evacuations (target: 100%).

The project will be monitored regularly and reviewed as necessary to suit the prevailing operational context in the country and to serve the needs of the humanitarian community accordingly. Additionally, WFP Aviation is developing a performance management tool that aims to measure the value-for-money (VfM) across UNHAS operations. The concept seeks to achieve an optimum balance between efficiency, effectiveness and economy in order to capture the impact of UNHAS operations on humanitarian activities. The tool will also allow air operation managers to better quantify and visualize fleet planning utilization. UNHAS Sudan is one of the pilot countries where the performance management project will be implemented. Ultimately, this tool will enhance transparency and improve reporting towards donors and other stakeholders.

Risk Assessment and Contingency Planning

A number of risks could impact the implementation of the SO. The three main risks identified are presented in the following areas:

Contextual Risks: Security in the Republic of South Sudan can deteriorate, which may result in a limitation on humanitarian travel. In such a situation, UNHAS will leverage its close coordination with UNDSS to ensure timely communication of the security situation at destinations and adjust its operations accordingly. Through the WFP Aviation structure, operational hazard identification will be constantly implemented, and relevant risk analysis and mitigation actions will be adopted to maintain an acceptable level of risk.

Programmatic Risks: Humanitarian agencies may scale up their assistance in ROSS and consequently, expand activities to more remote areas. In response, UNHAS will review its fleet capacity accordingly through the deployment of larger aircraft types or add more aircraft for passenger and/or cargo transport, as required.

Institutional Risks: The institutional risk identified relates to the success of the SO being conditional on adequate resources available throughout the implementation period. Strong WFP fundraising strategies and advocacy opportunities will be harnessed to address potential budget shortfalls. These include joint efforts through the UNHAS Steering Committee to ensure uninterrupted services for the humanitarian community.

Exit Strategy

Emergence of Credible Commercial Operators: WFP Aviation will monitor the trends in the aviation industry in South Sudan, and the level of effective oversight exercised by the Civil Aviation Authority that may facilitate compliant commercial operators in the country. However, considering the level of demand to remote humanitarian locations, it is highly improbable that compliant operators would emerge to serve the air travel needs of the humanitarian community over the next 12 months. Through the WFP Aviation Training Unit and Aviation Safety Unit, UNHAS South Sudan will assist in the capacity building of potential service providers and the Civil Aviation Authority. If no longer required, the UNHAS fleet will be reduced or the entire UNHAS operation will be suspended.

Funding Shortage: Donor efforts have been consistent in sustaining the UNHAS operation and expected to continue. However, in the unlikely event of an absolute no-funding situation, UNHAS will reduce the number of aircraft in the operation and propose a full-cost recovery mechanism to the Humanitarian Country Team for consideration and implementation.

RECOMMENDATION

This Special Operation, covering the period from the 1 January to 31 December 2014, at a total cost to WFP of **US\$ 30,649,399**, is recommended for approval by the Executive Director with the budget provided.

APPROVAL

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Ertharin Cousin
Executive Director
Date:

Map 1: UNHAS Flight Routes, March 2013

