

**Yemen Protracted Relief and Recovery Operation Project No. 200305
B/R No. 3**

BUDGET REVISION FOR THE APPROVAL OF REGIONAL DIRECTOR

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
<u>ORIGINATOR</u>				
Country Office or Regional Bureau on behalf of Country Office
<u>CLEARANCE</u>				
Ms. Piyamon Arayaprayoon Project Budget & Programming Officer, RMBP
Mr. Ally-Raza Qureshi Chief, RMBP
Mr. Adrian van der Knaap Chief, OSLT
<u>APPROVAL</u>				
<input type="checkbox"/> Mr. Mohamed Diab Regional Director

PROJECT: Yemen PRRO 200305

Start date: 01 January 2013 **End date:** 31 December 2014 **Extension period:** 12 Months **New end date:** 31 December 2015

	<u>Cost (United States dollars)</u>		
	<u>Current Budget</u> US\$	<u>Increase</u> US\$	<u>Revised Budget</u> US\$
Food Related Costs	7,907,040	3,870,471	11,777,511
Cash and Vouchers and Related Costs	-	-	-
Capacity Development & Augmentation	-	-	-
DSC	1,214,749	286,867	1,501,616
ISC	638,525	291,014	929,539
Total cost to WFP	9,760,314	4,448,351	14,208,665

TYPE OF REVISION

- Additional commodity
 Additional DSC
 Additional ODOC
 Additional LTSH
 Additional external transport
 Extension or Reduction in time
 Other

NATURE OF THE REVISION

- This Budget Revision (BR) is to extend the project duration of Protracted Relief and Recovery Operation (PRRO) 200305 by 12 months to 31 December 2015. The extension responds to the continued needs of refugees in southern Yemen and stranded vulnerable economic migrants from Somalia and Ethiopia in Haradh in northern Yemen, Sana'a in central Yemen and Aden in southern Yemen. The BR includes:

- Increase in food commodity requirements from 1 January 2015 until 31 December 2015.
 - Increase in the associated costs to support the implementation of new requirements (DSC, ODOC, LTSH, and ISC).
 - Technical adjustment of cumulative beneficiary figures that were incorrectly calculated and included in the initial PRRO document and first Budget Revision (BR01).
2. Specifically, the revision will:
- Increase the food requirements by 6,745mt;
 - Increase Direct Support Costs (DSC) by US\$ 286,867
 - Increase other Direct Operating Costs (ODOC) by US\$ 81,989;
 - Increase Landside Transport, Storage and Handling (LTSH) by US\$ 656,979;
 - Increase Indirect Support Costs (ISC) by US\$ 291,014;
 - Adjust the cumulative beneficiary figures of the original PRRO and BR 01 from 134,280 to 153,750 (the monthly figures remain the same).
3. The revision will increase the overall PRRO budget by US\$ 4,448,351.

JUSTIFICATION FOR BUDGET INCREASE

Summary of existing project activities

4. The present PRRO is a follow-on operation from PRRO 200044 “*Food Assistance to Somali Refugees in Yemen.*” The two year operation, originally planned from January 2013 to December 2014, targets over 130,000 refugees from the Horn of Africa with food assistance valued at US\$ 9.76 million. WFP food assistance has primarily been provided to new arrivals and the refugee population residing in Kharaz and Al- Basateen camps.
5. The operation aims to ensure that the basic food and nutritional needs of vulnerable refugees are met until durable solutions are reached, such as resettlement in a third country, or until conditions are appropriate for repatriation to their countries of origin. The objectives of the PRRO are in line with WFP’s Strategic Objectives 1 and 3, and contribute to Millennium Development Goals 1, 2 and 3. Specifically, the PRRO aims to: (i) save lives and maintain adequate dietary standards for refugee populations living in camps; and (ii) maintain enrolment and attendance in WFP-assisted primary schools in camp and urban settings through the provision of school meals.
6. Under the operation, coastal arrivals receive high-energy biscuits and water when they are registered by UNHCR’s implementing partners. At reception centres, hot meals are provided while a three months settlement package is offered in Kharaz camp. Kharaz camp residents receive General Food Distribution (GFD) rations including fortified wheat flour, rice, pulses, vegetable oil and sugar, providing a total of 2,141 kcal per person per day. School children in WFP-UNHCR assisted schools receive an on-site cooked meal based on two different recipes.
7. The operation ensures that the basic food and nutritional needs of vulnerable Ethiopian stranded migrants (in each of Hajjah, Sana’a and Aden governorates) are met through cooked meals distribution, implemented by International Organization of Migration (IOM), until they are resettled or deported by the Yemeni authorities to their country of origin. This activity is in line with WFP’s Strategic Objectives and core policies: to save lives in refugee and other emergency situations, and to improve the nutrition and quality of life of the most vulnerable people at critical times in their lives.

Conclusion and recommendation of the re-assessment

8. The protracted nature of similar constraints within the countries of origin as well as an unclear strategy with respect to durable solutions has compelled WFP to continue providing life-saving assistance to the refugees. The present unstable situation in Yemen has complicated any opportunities for the refugees to integrate within the local communities and, additionally, has hindered the Joint Assessment Mission (JAM) that would help formulate a new strategic PRRO to support the refugees. The lack of livelihood options for the refugees is further aggravating the situation.
9. According to the recent study on the refugees and host communities in all three refugee settlement areas in Yemen, the food security situation of the refugees was found to be very poor and critical. The study revealed that 75 percent of the refugees in Sana'a, 65 percent in Kharaz camp and 42 percent in Basateen are food insecure, of which over half are severely food insecure¹. In comparison, the host communities were found to be much better off – the food insecure population within the host communities in Sana'a is below 20 percent while it is 25 percent in Basateen and around 50 percent in the Kharaz host villages. The most recent Post Distribution Monitoring (PDM) survey showed a significant deterioration in the food security situation among refugees in Kharaz and Basateen².
10. The prevailing high level of food insecurity among the refugees has mainly resulted from the limited frequency and amount of their food intake, as well as the poor diversity of the types of food they are consuming. The refugee households in all settlement areas do not have a well-balanced food intake that fulfils the minimum standard nutritional requirements to live a healthy life. They are found to largely depend on cereals, oil and sugar for a daily consumption, which indicates a poor food security condition.
11. Child malnutrition in Kharaz camp does not appear to be affected by the overall household food security situation with 5.9 percent of refugee children under-five acutely malnourished in comparison to 14.2 percent in the host population. Some 20 percent of the children under the age of five are chronically malnourished, which is much below the national average of 42 percent and the 40 percent prevalence found in the host population. Micronutrient deficiencies remain of concern with 45 percent of under-five children and 37 percent of women found to be anaemic.
12. For most of the refugees in Kharaz camp, WFP's food assistance is the main source of livelihood. Meanwhile, refugees in other locations are not entitled to such assistance and only a small number in Basateen receive some targeted supplementary food items. The majority of refugees in Kharaz camp sell part of their rations to buy other food items such as vegetables, fruits, eggs and meat, thus trying to diversify their diet. Another reason for selling some portion of their entitlements is to cover other non-food essential requirements which are not included in their monthly assistance package distributed by WFP and UNHCR. Opportunities to address these challenges will be explored through the durable solutions consultations which will be further elaborated in 2015.

¹ UNHCR/WFP Joint Nutrition and Food security Survey, September/October 2013 in Sana'a and Basateen, March 2014 in Kharaz.

² WFP PDM 2nd Round Survey in December 2013.

Purpose of the budget increase

13. This Budget Revision is to extend the project period by 12 months to 31 December 2015, to allow for a strategic orientation towards durable solutions to be considered for a new PRRO planned to commence in January 2016. The new PRRO will be strategic in nature taking into account the findings of the JAM and the prevailing situation in the country. Also to be considered in the new PRRO are cash and voucher activities to expand the food assistance modality to refugees. Preparations for this will commence during the second half of 2015.
14. This Budget Revision also aims to correct the cumulative beneficiary numbers which were incorrectly calculated in the original PRRO document and the subsequent BR01. The errors relate to the cumulative counting over the two year period as well as an overlap between beneficiary categories. To make sure that the 2014 Standard Project Report appropriately reflects the programme's performance and to avoid a carry-over of errors into the BR02, the original cumulative beneficiary numbers were recalculated to be in line with WFP beneficiary counting procedures (i.e., unique beneficiaries while minimising possible double counting). The readjustment does not account for any over/under achievement in the original project but rather corrects the counting errors. This will form the basis for the addition of the 2015 beneficiaries and the new revised total. The monthly beneficiary estimates for 2013 and 2014 were not changed.
15. The revised total beneficiary numbers are reflected in Table 1.

Beneficiaries BR 03					
Activity	Original	Revised original	2015	Increase	Revised
New arrivals – coastal centers	90,000	90,000	24,419	24,419	114,419
New arrivals – reception centers	96,000	96,000	46,061	46,061	142,061
New arrivals – Kharaz settlement pack	51,600	51,600	38,068	38,068	89,668
Long term population - Kharaz camp	25,000	25,000	22,000	3,000	28,000
School feeding - Kharaz	8,800	5,950	5,500	500	6,450
School feeding – al Basateen	8,800	5,950	5,500	500	6,450
Migrants at IOM feeding centers	3,280	32,800	19,500	18,000	50,800
Total	134,280	153,750	89,361	64,561	218,311

FOOD REQUIREMENTS

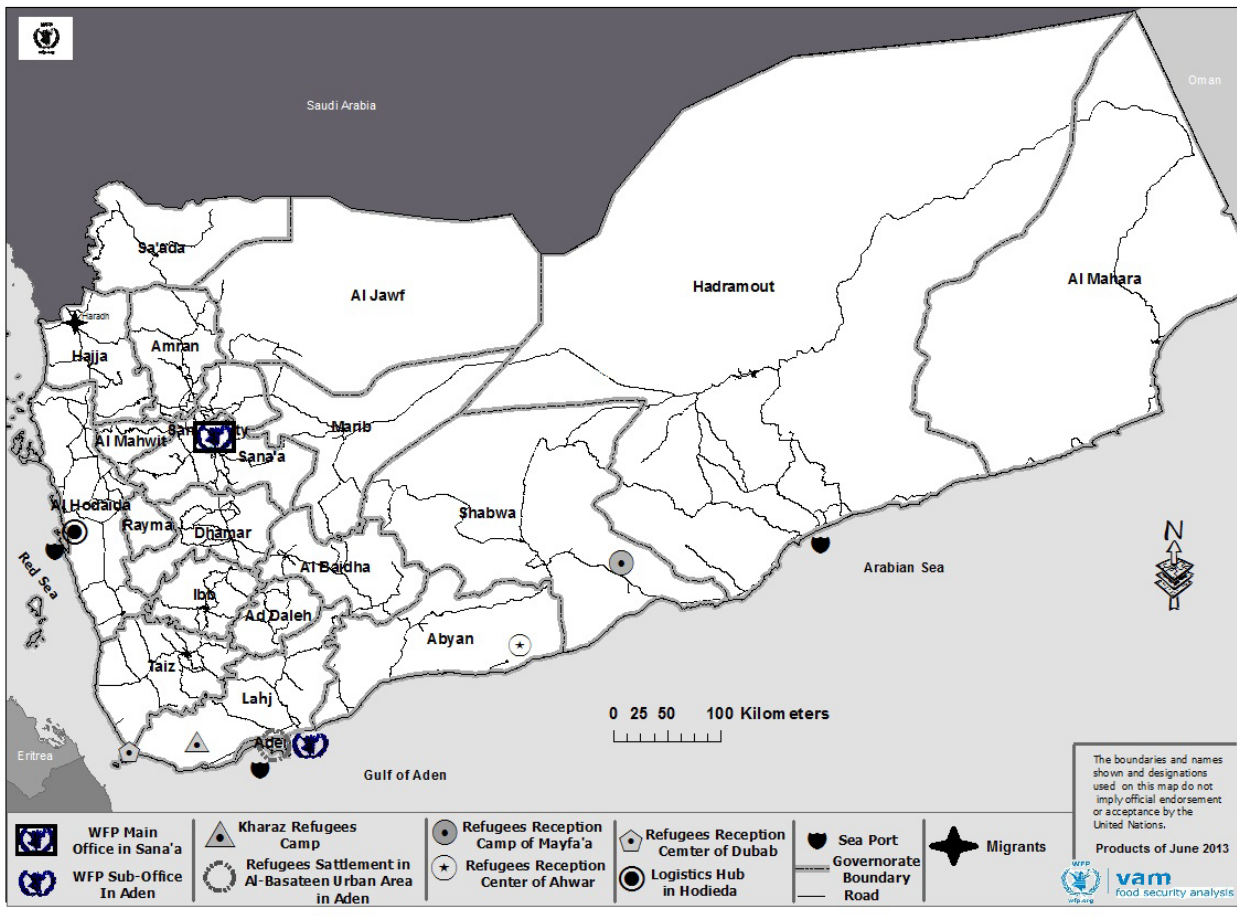
16. The food basket will remain the same throughout the implementation of the extended PRRO.

Commodity	New refugee arrivals						Long term refugees	Refugee school feeding		Migrants
	New refugee arrivals			Kharaz	Kharaz / Al Basateen					
	Coastal centers	Reception Centers	Kharaz settlement		Menu 1	Menu 2				
Wheat flour	-	300	300	300	120	-	300			
Rice	-	150	150	150	-	-	150			
Pulses	-	60	60	60	20	-	60			
Veg. oil	-	30	30	30	10	10	30			
Sugar	-	20	20	20	-	10	20			
Salt	-	5	5	5	3	-	5			
WSB	-	-	-	-	-	80	-			
HEB	400	-	-	-	-	-	-			
Total	400	560	560	560	150	100	560			
<i>Total kcal/day</i>	1800	2141	2141	2141	575	432	2141			
% Kcal from protein	11	11	11	11	13	13	11			
% Kcal from fat	30	15	15	15	19	31	15			
Feeding days per person per month	5	3	82	30	10	10	30			
# months per year	12	12	12	12	9	9	12			

17. The overall increase in tonnage is shown in Table 3.

Commodity	New refugee arrivals						Long term refugees	Refugee school feeding		Migrants	Total
	New refugee arrivals			Kharaz	Kharaz / Al Basateen						
	Coastal centers	Reception Centers	Kharaz settlement		Menu 1	Menu 2					
Wheat flour	-	41.45	936.47	2,133.00	108.00	-	324.00	3,542.93			
Rice	-	20.73	468.24	1,066.50	-	-	162.00	1,717.46			
Pulses	-	8.29	187.29	426.60	18.00	-	64.80	704.99			
Veg. Oil	-	4.15	93.65	213.30	9.00	9.00	32.40	361.49			
Sugar	-	2.76	62.43	142.20	-	9.00	21.60	238.00			
Salt	-	0.69	15.61	35.55	2.25	-	5.40	59.50			
WSB	-	-	-	-	-	72.00	-	72.00			
HEB	48.84	-	-	-	-	-	-	48.84			
Total	48.84	78.07	1,763.69	4,017.15	137.25	90.00	610.20	6,745.20			

MAP



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