

BUDGET INCREASE TO EMERGENCY OPERATION SYRIA 200339 BUDGET REVISION 8

Emergency food assistance to people affected by unrest in Syria

Start date: 13/10/2011 **End date:** 30/06/2013
Extension period: Six months **New end date:** 31/12/2013

	Cost (United States dollars)		
	Current budget	Increase	Revised budget
Food cost	189,242,890	169,393,594	358,636,484
External transport	8,405,488	11,213,018	19,618,506
LTSH	19,509,327	35,000,140	54,509,467
ODOC	9,219,893	11,876,032	21,095,925
DSC	24,226,444	13,375,579	37,602,023
ISC (7.0 percent)	17,542,283	16,860,085	34,402,368
Total cost to WFP	268,146,325	257,718,448	525,864,773

NATURE OF THE INCREASE

1. This revision to emergency operation (EMOP) 200339 responds to the worsening emergency in Syria and will:
 - extend-in-time the operation for six months, from 1 July to 31 December 2013;
 - scale-up beneficiary planning figures from 1.5 to 2.5 million;
 - adjust the general food rations to cover 80 percent of daily energy requirements, including through the addition of wheat flour and yeast for baking bread;
 - increase the number of children receiving supplementary feeding for prevention of acute malnutrition from 50,000 to 100,000 from July 2013;
 - adjust and simplify the supplementary feeding ration to provide one specialized nutrition product to prevent acute malnutrition: a lipid-based nutrient supplement (Plumpydoz™); and
 - include an increase in direct partnerships with local non-governmental organizations (NGOs) approved under the provision of the Syria Humanitarian Response Plan (SHARP) for January – June 2013.

2. Specific adjustments to the budget are:

- Food requirements increased by 264,819 mt, valued at US\$169.4 million;
 - External transport costs increased by US\$11.2 million in line with the additional tonnage;
 - Landside transport, storage and handling (LTSH) costs increased in line with the additional tonnage and the rate revised to US\$130 per mt;
 - Other direct operational costs (ODOC) increased by US\$11.9 million; this includes capacity-building support to potential new NGO partners and additional incentives to volunteers in Syrian Arab Red Crescent (SARC) sub-branches;
 - Direct support costs (DSC) increased by US\$13.4 million, reflecting the additional costs for the second half of 2013; and
 - Indirect support costs (ISC) increased by US\$16.9 million.
3. This revision will increase the overall EMOP budget from US\$268 million to US\$526 million.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

4. Since the beginning of the Syria crisis, WFP has adjusted its response in step with the evolving needs, capacities and access to populations. Emergency operation (EMOP) 200339 “Emergency food assistance to people affected by unrest in Syria” has been scaled-up seven times as the situation has deteriorated. The last revision (December 2012) extended the operation until 30 June 2013.
5. Food assistance has been provided through a food ration covering around 60 percent of daily energy requirements, on the basis that part of the needs of beneficiaries would be met through subsidized bread, the staple food in the Syrian diet.
6. The Syrian Arab Red Crescent (SARC) had requested that food assistance cover 2.5 million people in mid-October 2012. Limitations on the feasibility of such an operational scale-up were imposed by the context of the country, including: a lack of reliable assessment data; a very narrow partnership base; overstretched cooperating partner capacities; and the limited donor response to the Syria humanitarian crisis. Despite challenges, WFP has maintained food distributions to over 90 percent of the targeted 1.5 million people from September to December 2012. The priority for general food rations has been given to the large number of displaced families, leaving little scope to include other vulnerable groups.
7. Outside of Damascus, WFP has three operational sub-offices: in Homs, Tartous and

Qamishly. All staff from Aleppo sub-office were relocated to Tartous in December 2012 and will not return there until the security situation stabilizes. In the second week of January 2013, the WFP/UNHCR joint office in Aleppo was damaged by explosions at the nearby university compound.

8. Due to insecurity, WFP was required to reduce its staff presence in Syria in mid-December. The reduction in staff capacity curtailed WFP's ability to monitor distributions in December and January and to maintain dispatch capacity. Security problems in rural Damascus hindered access to packaging facilities and warehouses. WFP has reinforced its presence in Jordan and elsewhere in order to support the continuation of activities within Syria. Currently, the staffing level is under review and it is anticipated that WFP will be able to deploy more staff in the near future to strengthen its operational capacity within the country.
9. The conflict in Syria has now spread to all governorates. In mid-December 2012, WFP in consultation with the United Nations Relief Work Agency (UNRWA) launched an immediate-response emergency operation (IR-EMOP) to cover the needs of 25,000 families (approximately 125,000 individuals) displaced from the Yarmouk area of Damascus into the surrounding neighbourhoods. An emergency ration of ready-to-eat canned goods was prepared for families seeking refuge in public spaces, schools, mosques and UNWRA accommodation in Damascus.

Conclusion and Recommendations of the Re-Assessment

10. On 15 January 2013, SARC provided updated estimates of humanitarian needs across the country: based on SARC's registration records, 4 million people are "highly affected by the crisis and in need of assistance". The same day, the United Nations declared a system-wide Level Three emergency.¹ As a result, the Inter-Agency Standing Committee (IASC) clusters for Logistics and Emergency Telecommunications were immediately activated. The Food and Agriculture Organization of the United Nations (FAO) and WFP are working closely together on sector coordination for food security and agriculture.
11. International sanctions and the suspension of trade with neighbouring countries are adding inflationary pressure and contributing to the erosion of the purchasing power of Syrian households. Price inflation of food and non-food is alarmingly high: the average monthly inflation rate for 2012 exceeded 32 percent, with rates reaching 38 percent in Aleppo.² Food price inflation is driven mainly by price increases for bread/cereals, pulses, vegetables and dairy products, which have risen between 45-60 percent since late 2012.
12. There are widespread shortages of fuel. In mid-January 2013 the Government increased

¹ The Inter-Agency Standing Committee (IASC) principals have agreed that major sudden-onset humanitarian crises triggered by natural disasters or conflict which require system-wide mobilization (called "Level 3 emergencies") are to be subject to Humanitarian System-Wide Emergency Activation, to ensure that the humanitarian system responds more effectively to humanitarian needs of affected populations.

² In comparison, Syria had a monthly inflation rate of 16 percent during the height of the 2008 global food price crisis.

the price of diesel by 40 percent. Informal market fuel prices have seen much steeper increases, with diesel prices increasing by 400 percent compared to the beginning of the crisis. Costs for heating and electricity are soaring and services are frequently cut off.

13. Under WFP special operation 200477, WFP received permission from the Ministry of Petroleum to import diesel for the transportation of humanitarian supplies; the first 38,000 litres arrived in Syria on 20 January 2013. WFP is considering importing fuel to support selected bakeries in highly affected areas.
14. Due to the protracted nature of the crisis, vulnerability to food insecurity is escalating. WFP monitoring confirms that food needs all over the country are continuously rising. The Joint Rapid Food Security and Nutrition Assessment (JRFSNA) of November 2012 estimates that 2012 cereal production has dropped to less than 50 percent of normal due to conflict. The wheat harvest is lower than usual due to higher production costs, limited access to farms, insecurity, the high cost of renting equipment, reduced availability of labour and limited access to markets.
15. The capacity of the rural farming population to generate income and to access food has been drastically reduced in the past few months in affected areas. Focus group discussions from the JRFSNA indicate that over half of those interviewed do not have sufficient money to purchase food and an increasing number are buying food on credit. The situation is expected to worsen over the winter months with the depletion of food stocks.
16. Shortages of fuel and wheat flour have resulted in soaring prices of non-subsidized bread. The gap between bakery-level and shop-level prices of bread has widened over the last three months due to disrupted wheat flour supplies to bakeries, increased transaction costs (fuel, distance, insecurity, transport costs and time) and demand pressure on subsidized bread sold at shop level. In Aleppo, 1 kg of bread, when available, reached 250 Syrian Pound (SYP) equivalent to US\$3.40 in December 2012, compared to a subsidized price of 15 SYP (US\$0.18).
17. While recent nutritional data is scarce, WFP's monitoring confirms that displaced families are struggling to maintain a varied diet and to provide adequate complementary food for young children. Mid-year results (July 2012) of the national nutritional surveillance suggest the prevalence of malnutrition is within the "acceptable" range.³ However, results are based on measurements of children in accessible primary health care centres, and there is a 60 percent decrease in the number of children measured in 2012 compared to the same period for 2011. There is concern that the most vulnerable children, including those in displaced families or living in remote areas, are not being surveyed.
18. In January 2013, the Government provided the United Nations humanitarian agencies in Syria with a list of 110 approved local NGOs. The NGOs have been selected by a High Relief Committee, appointed to help the Government expand humanitarian assistance across Syria. The decision to permit United Nations agencies to work with NGOs has

³ WHO 1995. Cut-off values for public health significance www.who.int/nutgrowthb/en

been influenced by the Government’s desire to meet the commitments of the new SHARP (January to July 2013). The new Committee gives more prominence to the Ministry of Local Administration for response at the governorate level. To the extent possible, WFP has screened the proposed NGOs, and identified an initial 28 potential cooperating partners on the basis of criteria related to: organizational strength, neutrality, operational capacity related to food distribution, logistics management and geographical presence - particularly in less-accessible areas.

Purpose of Budget Increase

19. This budget revision reflects the protracted nature of the crisis and the worsening humanitarian situation in Syria. It seeks to extend the operation by an additional six months until 31 December 2013 to be able to anticipate funding and the food pipeline requirements beyond 30 June 2013.
20. With the additional NGO capacity - assuming that successful partnerships are forged with the selected organizations and that SARC’s distribution capacity is maintained - WFP proposes to progressively scale-up general food distributions to reach 2.5 million beneficiaries by April 2013.
21. While selected NGOs have the capacity to become WFP food distribution partners, considerable capacity development efforts will be required to ensure the scale-up to 1 million additional beneficiaries. WFP will continue dialogue with the Government to support the expansion of the approved NGO list to strengthen the response to the growing needs.
22. WFP assistance will continue to be targeted towards four broad categories: i) vulnerable families that have moved from their homes; ii) people located in or near areas subject to armed activities; iii) host families and communities; and iv) poor people in urban and rural areas affected by the multiple effects of the current situation. It is anticipated that the majority of beneficiaries will continue to be displaced families. Highly affected residential (i.e. non-displaced) populations will also be prioritized where possible, particularly in the highly vulnerable north-east governorates of El Hasakeh, El Raqqa and Deir Ezzor.

TABLE 1. BENEFICIARIES BY ACTIVITY			
Activity	Current	Increase	Revised
General food distribution	1,500,000	1,000,000	2,500,000
Supplementary feeding (children 6-35 months)	50,000	50,000	100,000
TOTAL*	1,500,000	1,000,000	2,500,000

*Children benefiting from supplementary food are also beneficiaries of general food rations, so are not double-counted in the total number of beneficiaries.

Nutritional considerations and rations

23. The general food ration will be adjusted upwards to meet 80 percent of daily energy requirements (1,700 kcal per person per day). Based on monitoring feedback, it is clear that households can still access some market produce, which will constitute the remaining 20 percent of the diet. The addition of wheat flour and yeast will facilitate bread-making: the equivalent of 5 kg of wheat flour will be provided per person per month. In rural areas where people are familiar with baking bread at home, particularly in the north and north-east, wheat flour will be distributed as part of the general food ration. In other areas, wheat flour will be distributed through bakeries and/or local charities and beneficiaries will receive bread, in addition to the dry food ration.
24. To facilitate distribution and to keep costs manageable, other adjustments will include:
- provision of a reduced ration of pasta and bulgur;
 - provision of one canned commodity (pulses); and
 - removal of tea, tomato paste and canned fish from the food basket.
25. The revised general food ration is shown in Table 2 below. The ration will be distributed on the basis on a five-person household.

TABLE 2: REVISED DAILY GENERAL FOOD RATION (g/person/day)		
Commodity	Current	Revised
Wheat flour	-	167
Rice	100	100
Bulgur	33	17
Pasta	33	17
Pulses	50	33
Canned pulses	0	33
Sugar	33	33
Vegetable oil	30	30
Iodized salt	5	5
Yeast	-	4
Canned fish	13	-
Tomato paste	7	-
Tea	7	-
Total	311	439
Total kcal/day	1,205	1,682
<i>percent of energy supplied by protein</i>	<i>10.8</i>	<i>11.4</i>
<i>percent of energy supplied by fat</i>	<i>26.3</i>	<i>22.6</i>

26. Following a request from the Syrian Ministry of Health through the United Nations Children’s Fund (UNICEF), WFP will expand supplementary feeding to reach up to 100,000 children. Currently, supplementary feeding is designed to meet potential gaps in the diets of the most vulnerable children aged 6-35 months. In January 2013, WFP and UNICEF signed a Memorandum of Understanding which establishes the parameters of collaboration between the two agencies and the Ministry of Health for nutrition activities.
27. WFP will adjust and simplify the supplementary feeding ration to provide one specialized nutrition product to prevent acute malnutrition. The optimal product in agreement with UNICEF is a lipid-based nutrient supplement, Plumpy’doz™, which will initially be targeted to children from displaced families living in collective centres. Many of the collective centres are managed by NGOs, including the Syria Trust. UNICEF is working to collate figures on nutritional screening for children under 5 with observations of health workers in centres using mid-upper arm circumference measurements. WFP may expand the programme to cover children who are assessed as vulnerable in other health centres and in host communities.

TABLE 3: REVISED SUPPLEMENTARY FEEDING RATION (person/day)				
Commodity	Current (g)	Calories (kcal)	Revised (g)	Calories (kcal)
Nutributter™	20	108	-	-
Super Cereal Plus	100	394	-	-
High-energy biscuits	33	149	-	-
Plumpy’doz™	46	247	46	247

Logistical arrangements

28. The Lebanon corridor is fully operational. In order to ensure a flexible logistics network, corridors through Jordan and Turkey are being established. Warehouse capacity has been created in Qamishly, Aleppo, Damascus, and Tartous, with two packaging facilities in Damascus and a third site operational in Tartous. Another packing or trans-shipment facility will be established in Qamishly if the Turkey/Iraq corridor proves feasible.
29. To support the logistics operations, overall coordination is being conducted remotely from Amman, Jordan. This includes general direction, corridor management, procurement and related logistics support functions. However, logistics, port and warehouse management officers are also strategically located in key locations within Syria as well as in the Jordan, Lebanon and Turkey corridors.
30. Monitoring findings have influenced the programme design, including the choice of distribution modalities, food basket, packaging and coverage of locations. Regular coordination meetings with other food assistance actors - particularly the International Committee of the Red Cross and the International Federation of Red Cross and Red

Crescent Societies - has allowed identification of under-served areas. Despite the challenges, WFP Syria is committed to continue to explore and implement strategies to ensure, to the greatest extent possible, accountability and protection of its beneficiaries as defined in the IASC framework.

Hazard / Risk Assessment and Preparedness Planning

31. Contextual Risks:

- **Civil unrest prevents WFP from operating in Syria:** WFP may be obliged to work through full-scale remote control i.e not based in-country or through third-party monitors.
- **Escalation in the number of people in need:** WFP continues to build preparedness for itself and partners for further potential rapid scale-up in the provision of assistance. This includes pre-positioning commodity stocks in neighbouring countries and establishing a fuel depot in Damascus under a WFP special operation to meet increased transport requirements.
- **Humanitarian space is shrinking and WFP's substantial outreach attracts criticism:** WFP continues dialogue with government counterparts and works with the United Nations country team (UNCT) to maintain presence on the ground, implement activities and advocate for access to all affected areas, irrespective of political control.

32. Programmatic risks:

- **Absence of detailed, accurate or regular needs assessments due to government restrictions:** WFP continues to verify food security information through beneficiary contact monitoring at distribution sites, tracking food prices, and triangulation of data from different sources. Humanitarian needs assessments remain controversial and very difficult to implement.
- **Lack of capacity of SARC and new NGO partners may slow down the scale-up:** WFP is scaling up its distribution progressively and will engage in further strengthening the capacity of SARC as well as the capacity of partners selected for food distribution and support them with additional funding through field-level agreements.
- **Insufficient Funding:** Donor contributions may not be sufficient to respond adequately to the scale of escalating needs in Syria.
- **Limited local food supplies and insufficient regional prepositioned stocks:** Following a thorough review of the regional supply chain and all procurement options (internationally and regionally), WFP is ramping up its storage facilities in and around Syria in order to meet the growing needs. WFP currently has 27,000 m² storage capacity in Syria. An additional 9,000 m² in Jordan; 5-10,000 m² being considered in Lebanon; and 10,000 m² being procured in Mersin, Turkey. Subject to funding availability, additional capacity can be procured from the region should the situation warrant further scale-up.
- **Increasing insecurity escalates transport rates or prevents deliveries:** Attacks on

WFP convoys continue to worsen, further reducing access and hiking transport rates.

33. *Institutional risks:*

- **Negative media portrayal of WFP and cooperating partner SARC:** The International Committee of the Red Cross and the UNCT will continue to advocate for increased humanitarian access, engagement of additional national and international NGOs, and international monitoring of the humanitarian response in Syria.
- **Staff safety and access restriction:** WFP has recently moved its office and international staff to a hotel in Damascus. Arrangements are underway to bring an additional four armoured vehicles to Syria, increasing the fleet size to 14.

FOOD REQUIREMENTS

34. The proposed six-month extension of the EMOP will increase food requirements by 264,819 mt valued at US\$169.4 million, and associated costs by US\$88.3 million (see budget increase cost breakdown in Annex I-A), bringing the total cost of the EMOP to US\$526 million (see budget summary on page 1).

TABLE 4. FOOD REQUIREMENTS BY ACTIVITY TYPE			
Activity	Food requirements (mt)		
	Current	Increase	Revised total
General food distribution	177,621	264,681	442,302
Supplementary feeding	6,662	138	6,800
Total	184,283	264,819	449,102

RECOMMENDATION

35. This proposed budget revision for an extension-in-time with additional commitments of food and associated costs, resulting in the revised budget for Syria EMOP 200339 is recommended for joint approval by the Executive Director and the Director-General of FAO.

APPROVAL

Ertharin Cousin
Executive Director
United Nations World Food Programme

José Graziano da Silva
Director-General
Food and Agriculture Organization of
the United Nations

Date:

Date:

ANNEX I-A

BUDGET INCREASE COST BREAKDOWN			
Food⁴	Quantity (mt)	Value (US\$)	Value (US\$)
Cereals	190,000	106,470,535	
Pulses	41,250	44,726,235	
Oil and fats	17,062	25,508,554	
Mixed and blended food	(2,112)	-2,370,179	
Others	18,619	-4,941,550	
Total food	264,819	169,393,594	
Subtotal food and transfers			169,393,594
External transport			11,213,018
Landside transport, storage and handling			35,000,140
Other direct operational costs			11,876,032
Direct support costs (see Annex I-B)			13,375,579
Total WFP direct costs			240,858,362
Indirect support costs (7.0 percent) ⁵			16,860,085
TOTAL WFP COSTS			257,718,448

⁴ This is a notional food basket for budgeting and approval. The contents may vary.

⁵ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
Staff and staff-related costs	
International professional staff	3,787,830
Local staff - national officers	280,070
Local staff - general service	966,983
Local staff - temporary assistance	805,200
Local staff – overtime	81,600
Hazard pay and hardship allowance	579,200
International consultants	208,833
Commercial consultancy services	3,466,056
Subtotal	10,175,773
Recurring expenses	
Rental of facility	519,000
Utilities	114,600
Office supplies and other consumables	59,800
Communications services	571,056
Equipment repair and maintenance	11,700
Vehicle running costs and maintenance	236,800
Office set-up and repairs	35,250
United Nations organization services	1,500,000
Subtotal	3,048,206
Equipment and capital costs	
Vehicle leasing	81,600
Communications equipment	70,000
Subtotal	151,600
TOTAL DIRECT SUPPORT COSTS	13,375,579