

# BUDGET INCREASE TO EMERGENCY OPERATION/PROTRACTED RELIEF AND RECOVERY OPERATION:

## Budget Revision 8 to Protracted Relief and Recovery Operation (PRRO 200065) Response to Recurrent Natural Disasters and Seasonal Food Insecurity in Madagascar

**Start date:** 01.07.2010 **End date:** 30.06.2014 **Extension/Reduction period:** 6months  
**New end date:** 31.12.2014

Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	\$48 155 232	\$6 758 165	\$54 913 396
Cash and Vouchers and Related Costs	\$ 655 918	\$ 185 597	\$ 841 515
Capacity Development & Augmentation	\$ 0	\$ 159 119	\$ 159 119
DSC	\$10 654 741	\$1 286 351	\$11 941 092
ISC	\$ 4 162 612	\$ 587 246	\$ 4 749 859
Total cost to WFP	\$63 628 502	\$8 976 478	\$72 604 980

## NATURE OF THE INCREASE

- Budget revision No. 8 to the Madagascar protracted relief and recovery operation (PRRO) 200065 "Response to Recurrent Natural Disasters and Seasonal Food Insecurity in Madagascar" aligns to the timing of the new CP, PRRO and the new UNDAF cycle (2015-2019) while the strategic review of the country portfolio is on-going. To achieve this alignment this budget revision extends the operation by six months from 1 July 2014 until 31 December 2014. The BR also realigns the budget relating to CD&A expenditures and commitment following to FFR ODOC migration in November 2013.
- This revision will enable WFP to continue responding to the needs of vulnerable communities affected by (i) recurring natural disasters due to extreme weather related shocks and (ii) the economic downturn as a result of the protracted political crisis since 2009 and to reinforce the CD&A activities.
- This budget revision, based on the gross requirement, will therefore:
  - Extend the operation duration by six months until 31 December 2014;
  - Provide an additional 10,930 mt of food valued at US\$ 4,666,344 million;
  - Increase cash transfers by US\$ 130,152;
  - Increase associated costs by US\$ 3.4 million, consisting of External Transport, Landside Transport, Storage and Handling (LTSH), Other Direct Operational Costs (ODOC), C&V related cost, CD&A cost and Direct Support Costs (DSC); and
  - Increase indirect support costs (ISC) by US\$587,244 million.
- The overall estimated number of targeted population for this six month extension is 356,000 beneficiaries through FFA and 12,500 for CFA. As a result the beneficiaries total number for 2014 becomes 494 000.

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## **JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE**

### **Summary of existing project activities**

5. PRRO 200065 responds to the needs of populations affected by the combined effects of climate shocks (mainly tropical cyclones, floods and recurrent droughts) and the economic downturn, through the implementation of relief and recovery activities:
  - Under the relief component, WFP provides pre-positioned contingency stocks in disaster-prone areas to ensure both rapid and timely response and protection of the most vulnerable people from further destitution, in line with WFP Strategic Objective 1 ;
  - Under the recovery component, WFP responds to slow and rapid onset disasters which aimed at preventing negative coping strategies and supporting food security and nutrition. It will provide targeted food assistance for the most vulnerable people or communities through appropriate interventions such as asset creation/ rehabilitation programmes which contribute to their stability, resilience and self-reliance, in line with the WFP Strategic Objective 2.

### **Conclusion and recommendation of the re-assessment**

6. The food security situation in the country remains critical, particularly in the southern regions where most households have not yet recovered from the various shocks they have faced throughout the year 2013 (impact of cyclone Haruna combined with erratic rainfall, locust infestations and shrunken livelihood options due to increased insecurity and continued economic crisis). Moreover, harvest prospects for the main agricultural season are unfavourable in areas of the southwest where despite treatment efforts, locusts have locally caused significant damages to crops.
7. In addition, the combined effects of locust infestations and of cyclone Hellen (flooded rice fields) are likely to affect the harvests in some of the northwest districts (Soalala, Mitsinjo). Assessments are being carried out and will help determine the extent of resulting needs among the vulnerable population.
8. An extension in time of the current operation will besides allow for better preparation in light of the formulation of a new PRRO with a start date aligned with the new Country Programme.

### **Purpose of Extension and Budget Increase**

9. Given the recent changes in the political environment and increased donor presence in Madagascar, the CO is in the process of developing its Country Strategy Document (CSD) 2015-18 to guide its transition to the new operational environment in Madagascar. The Country Strategy will guide the formulation of Madagascar's new CP and PRRO, both due to start in 2015. In order to ensure that the design the new CP and PRRO is based on the Country Strategy, the CO is submitting this budget revision 8 for an extension in time of six months of the current PRRO until December 2014.
10. During the extension period and in line with WFP Strategic Objective 2, WFP will continue supporting FFA and CFA projects during the lean season (between October and December ) enabling food-insecure families to increase the availability of agricultural land, enhance food production and ultimately mitigate the effects of future natural disasters, for example the rehabilitation of irrigation systems.

11. The cash transfer modality will be determined according to a seasonal programming approach. Activities will aim at increasing communities' access to food and promoting dietary diversity. FFA/Cash will be implemented for 40 days for 2,500 participants (12,500 beneficiaries). The choice and roll-out of FFA/food and/or FFA/cash will follow a rigorous contextual analysis including a review of the agricultural calendar, and latest harvest and market conditions. A sectorial capacity assessment will be undertaken by the Country Office to better inform the operational capacity of C&V in selected locations.
12. One round of Post Distribution Monitoring exercise (PDM) which aims at capturing PRRO performance indicators values and one round of Community Household Surveillance session (CHS) for collection of their last follow-up values at the end of the year will be carried out. Those exercises will capture other information related to processes adopted by the Cooperating Partners during activities implementation which will help programme managers to strengthen / improve the programme quality.
13. The Crop and Food Security Assessment Mission (CFSAM) will be jointly conducted with FAO and the Ministry of Agriculture in July 2014. It aims at collecting harvest data coupled with market and food security analysis at district level. The survey result will be used for targeting and planning for the next period interventions.
14. FFA will be implemented through cooperating partners, mainly national and international NGOs such as CARE, CARITAS, Interaide, Welthungerhilfe, MADR, CDD and Tany Maitso. The capacity of Cooperating Partners in conducting and managing FFA/food and FFA/cash activities will be reinforced through training and mentoring.
15. To comply with government legislation prohibiting the import of maize grain, WFP is shifting to crushed maize as part of the food basket provided in the South. The ration is similar to the one provided (rice based) in cyclone-prone areas (400 g/pers/day). In addition and with regards to the cash transfer, the government policy has officially increased the amount of the ration from 0.22 to 0.25 US\$/day/person.

<b>TABLE 1: BENEFICIARIES BY ACTIVITY</b>										
Activity [or Component]	Category of beneficiaries	Current			Increase / Decrease			Revised		
		Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
GFD	Vulnerable households affected by cyclones	23,359	25,641	49,000	(10,488)	(11,512)	(22,000)	12,871	14,129	27,000
CFA	Vulnerable households affected by cyclones /floods or by drought	11,919	13,081	25,000	0	0	0	11,919	13,081	25,000
FFA	Vulnerable households affected by cyclones /floods or by drought	210,710	231,290	442,000	0	0	0	210,710	231,290	442,000
<b>TOTAL</b>		<b>245,988</b>	<b>270,012</b>	<b>516,000</b>	<b>(10,488)</b>	<b>(11,512)</b>	<b>(22,000)</b>	<b>235,500</b>	<b>258,500</b>	<b>494,000</b>

**TABLE 2: REVISED DAILY FOOD RATION/TRANSFER BY ACTIVITY**  
(g/person/day)

	Recovery		
	FFA cyclones	FFA drought	CFA
Crushed maize	–	400	–
Rice	400	–	–
Pulses	60	60	–
Veg. oil	–	–	–
HEB	–	–	–
Cash(US\$)	–	–	\$0.25
<b>TOTAL</b>	<b>460</b>	<b>460</b>	
<b>Total kcal/day</b>	<b>1,645</b>	<b>1605</b>	
% Kcal from protein	10.4	13.7	
% Kcal from fat	1.5	9.4	
Number of feeding days per year	60	40	40

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## FOOD REQUIREMENTS

**TABLE 3: FOOD/CASH REQUIREMENTS BY ACTIVITY TYPE (mt/US\$)**

Component	Type of disaster	Activity	Current  (July 2010- june 2014)	Increase  (July 2014 - December 2014)	Revised total  (July 2010 - December 2014)
RELIEF	Drought	GFD	2 802	-	2 802
	Cyclone	GFD	10 611	-	10 611
		FFA	5 149	-	5 149
	Prevention of MAM - Pregnant and lactating women		219	-	219
	Treatment of MAM - Children 6-59 months		1 172	-	1 172
SUB-TOTAL RELIEF			19 953	-	19 953
RECOVERY	Drought	GFD	2 738	-	2 738
		FFA	23 598	5 520	26 542
	Cyclone	FFA	30 051	5 410	32 811

<b>SUB-TOTAL RECOVERY</b>	<b>56 387</b>	<b>10 930</b>	<b>67 317</b>
<b>Total food requirements (mt)</b>	<b>76 340</b>	<b>10 930</b>	<b>87 270</b>
<b>Cash requirements ( Recovery - CFA)</b>	<b>565 622</b>	<b>130 152</b>	<b>695 774</b>
<b>Total food requirements (mt)</b>	<b>76,340</b>	<b>5,704</b>	<b>82,044</b>
<b>Cash requirements ( Recovery - CFA)</b>	<b>US\$ 565,622</b>	<b>US\$ 130,152</b>	<b>US\$ 695,774</b>

## Hazard / Risk Assessment and Preparedness Planning

### Risk assessment

16. **Contextual risks:** despite important progress on the political situation after the election runoff, prevailing insecurity, particularly in the south, and social lawlessness still raise concern of a fragile stability and peace. In order to mitigate security risks, WFP will monitor developments and follow recommendations elaborated by the UN Department of Safety and Security (UNDSS), such as the reinforcement of security measures in WFP warehouses and travels in convoy.
17. In addition, in order to be ready for a rapid and appropriate emergency response and to mitigate the effects of any natural disasters/hazards that may occur, emergency preparedness planning has been integrated into regular country office activities. The Emergency Preparedness and Response Package (EPRP) has been put in place for the WFP Country Office as well as for partners working in sectorial activities. The EPRP is particularly relevant prior to the cyclone seasons. This year 2014, thanks to the DFIDII project, the WFP Country Office in collaboration with UNICEF is implementing a preparedness action plan which is focused on strengthening WFP and the national capacity, especially at the field level for preparedness and emergency operation.
18. **Programmatic risks:** Pipeline breaks due to funding constraints and delayed food deliveries may affect the continuity of WFP operations. In collaboration with WFP's Regional Bureau for Southern Africa, forward planning and prioritization of local and regional purchases will be undertaken, together with the utilisation of WFP's Forward Purchase Facility (FPF), as appropriate, to identify and diversify the availability of commodities.

Approved by:

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 Ertharin Cousin  
 Executive Director, WFP

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 Date

*Drafted by:* Lea Razanay Country Office  
*Cleared by:* Naouar Labidi Country Office on 13/07/14  
*Reviewed by:* Svante Helms Regional Bureau  
*Cleared by:* Sarah Longford Regional Bureau on 17/07/14  
*Reviewed by:* [name] Regional Bureau Support (OMO)

## ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>	10,930	4,666,296	
Cereals	9,504	3,989,136	
Pulses	1,426	677,160	
Oil and fats	-	-	
Mixed and blended food	-	-	
Others	-	-	
<b>Total Food Transfers</b>	<b>10,930</b>	<b>4,666,296</b>	
External Transport		734,716	
LTSH		1,136, 623	
ODOC Food		220,529	
<b>Food and Related Costs <sup>1</sup></b>		<b>6,758,165</b>	
C&V Transfers		130,152	
C&V Related costs		55,445	
<b>Cash and Vouchers and Related Costs</b>		-	
<b>Capacity Development &amp; Augmentation</b>		-	
<i>Direct Operational Costs</i>			7,102,880
Direct support costs (see Annex I-B)			1,286,351
<b>Total Direct Project Costs</b>			<b>8,389,231</b>
Indirect support costs (7,0 percent) <sup>2</sup>			587,246
<b>TOTAL WFP COSTS</b>			<b>8,976,478</b>

<sup>1</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>2</sup> The indirect support cost rate may be amended by the Board during the project.

## ANNEX I-B

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>	
<b>WFP Staff and Staff-Related</b>	
Professional staff *	415,780
General service staff **	122,627
Danger pay and local allowances	0
<b>Subtotal</b>	<b>538,407</b>
<b>Recurring and Other</b>	<b>229,091</b>
<b>Capital Equipment</b>	<b>83,215</b>
<b>Security</b>	<b>33,681</b>
<b>Travel and transportation</b>	<b>196,958</b>
<b>Assessments, Evaluations and Monitoring<sup>1</sup></b>	<b>205,000</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>1,286,351</b>

\* Costs to be included in this line are under the following cost elements: International Professional Staff (P1 to D2), Local Staff - National Officer, International Consultants, Local Consultants, UNV

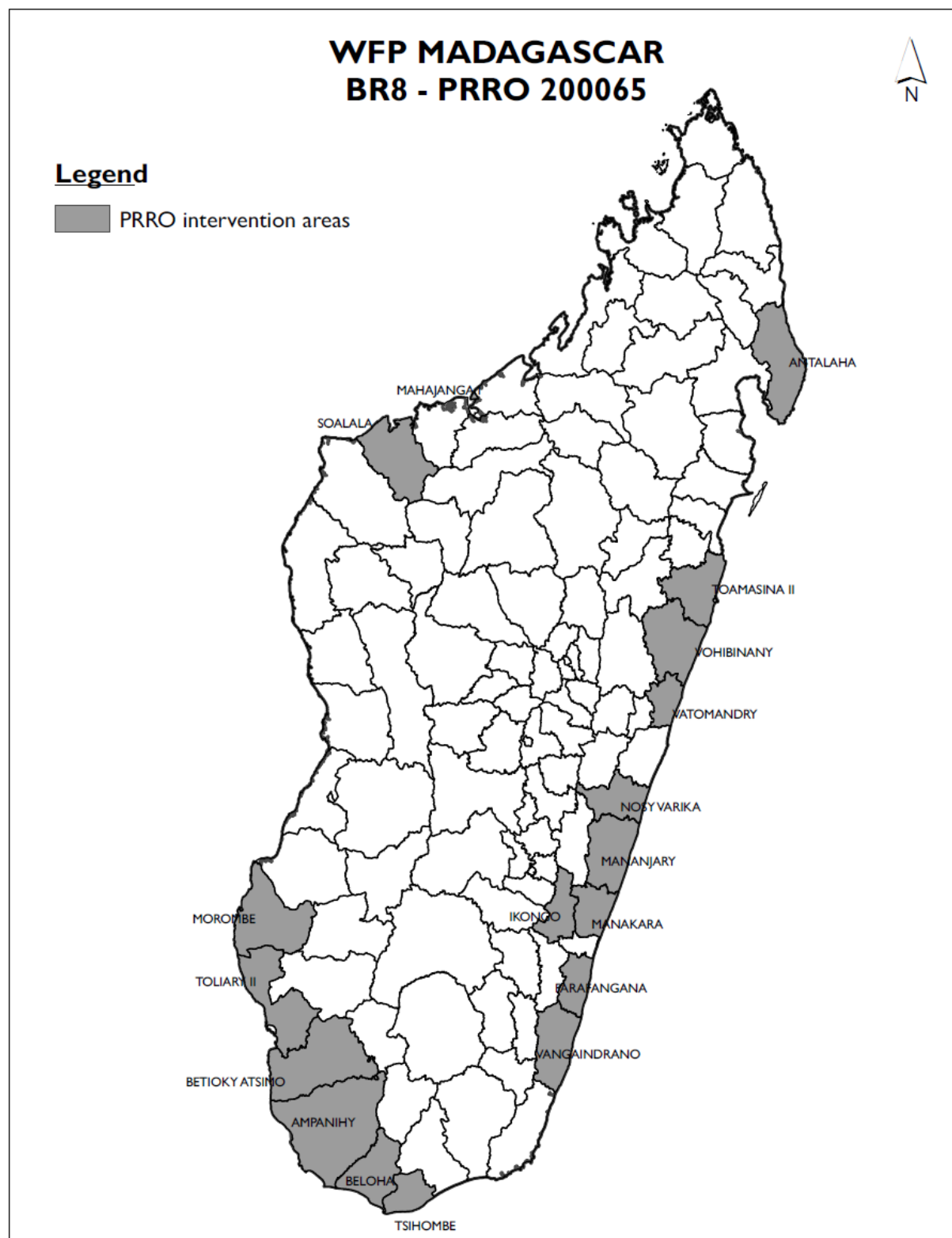
\*\* Costs to be included in this line are under the following cost elements: International GS Staff, Local Staff - General Service, Local Staff - Temporary Assist. (SC, SSA, Other), Overtime

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<sup>1</sup> Reflects estimated costs when these activities are performed by third parties. If WFP Country Office staff perform these activities, the costs are included in Staff and Staff Related and Travel and Transportation.

## ANNEX III

### MAP





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## ACRONYMS USED IN THE DOCUMENT

ADRA	Adventist Development and Relief Agency
BR	Budget Revision
CARE	Cooperative for Assistance and Relief Everywhere
CD&A	Capacity Development and Augmentation
C&V	Cash and Voucher
CFSAM	Crop and Food Security Assessment Mission
CFSVA	Comprehensive Food Security and Vulnerability Assessment
CHS	Community Household Survey
CP	Country Programme
CRGRC	Regional Disaster and Risk Management Council
CRIC	Comité de Réflexion des Intervenants en Catastrophe
CRS	Catholic Relief Services
CSB	Corn-soya blend
CSI	Copying Strategy Index
DHS	Demographic and Health Survey
DRM	Disaster and Risk Management
ED	Executive Director
EDP	Extended Delivery Point
EFSA	Emergency Food Security Assessments
EU	European Union
FANTA	Food and Nutrition Technical Assistance Project
FCS	Food Consumption Score
FFW	Food for work
FFR	Financial Framework Review
FFT	Food For Training
FID	Fonds d'Intervention pour le Développement
FLA	Field level agreement
GAM	Global acute malnutrition
GFD	Global food distribution
IASC	Inter-Agency Standing Committee
ISC	Indirect Support Cost
IFAD	International Fund for Agriculture Development
LTSH	Landside Transport Storage Handling
MAM	Moderate and Acute Malnutrition
M&E	Monitoring and Evaluation
MAP	Madagascar Action Plan
MOH	Ministry of Health
MOSS	Minimum Operational Security Standards
MUAC	Mid-Upper Arm Circumference
MYAP	Multi-year Assistance Program
NGO	Non-governmental organization
NNP	National Nutrition Policy
NSDM	National Strategy for Disaster Management
ODOC	Other Direct Operational Cost
OCHA	Office for the coordination of humanitarian affairs
ONN	National Nutrition Office
PDM	Post Distribution Monitoring
PNAN	Plan of Action for Nutrition

PRRO	Protracted relief and recovery operation
PRSP	Poverty Reduction Strategy Paper
SALOH	Strengthening and Accessing Livelihoods Opportunities for Household Impact
SAP	Système d'Alerte Pré
SDA	Secondary Data Analysis
SO	Strategic Objective
SMART	Standardized Monitoring and Assessment of Relief and Transition (Survey)
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VAM	Vulnerability analysis and mapping
WFP	World Food Programme
WHO	World Health Organization

**ANNEX IV - [LTSH-matrix](#)**

**ANNEX V - [Project Budget Plan](#)**

**ANNEX VI - [Project Statistics](#)**