

South Sudan Special Operation 200634
Provision of Humanitarian Air Services in the Republic of South Sudan

B/R No.:1 15 August 2014

BUDGET REVISION FOR SOs FOR THE APPROVAL OF THE DED & COO

FROM:

	<u>Initials</u>	<u>In Date</u>	<u>Out Date</u>	<u>Reason For Delay</u>
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Regional Director
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CLEARANCE through:

Assistant Executive Director, OS
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Assistant Executive Director, RM
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Assistant Executive Director, PG
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APPROVAL

Deputy Executive Director and COO
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PROJECT	Previous Budget	Revision	New Budget
CD&A	US\$ 26,558,759	US\$ 18,283,721	US\$ 44,842,480
DSC	US\$ 2,085,538	US\$ 502,211	US\$ 2,587,750
ISC	US\$ 2,005,101	US\$ 1,315,015	US\$ 3,320,116
Total WFP cost (US\$)	US\$ 30,649,399	US\$ 20,100,947	US\$ 50,750,346

TYPE OF REVISION

☒ Additional DSC ☒ Additional CD&A ☐ Extension in time ☐ Other

NATURE OF REVISION:

This revision seeks to provide a budget increase to the Special Operation, SO 200634, for the continuous provision of air services, to facilitate humanitarian response in South Sudan, from 15 August to 31 December 2014 with details as shown in the table above. The revised budget caters for additional costs, which amount to US\$ 20,100,947 due to fleet expansion, increased staffing and other operational needs related to the ongoing emergency response bringing the project's total budget to US\$ 50,750,346.

BACKGROUND:

1. On 15 December 2013 fighting broke out in South Sudan's capital, Juba, and rapidly spread to other areas in the country. The conflict has resulted in the displacement of over 1.1 million people, of which nearly 100,000 are seeking shelter in UN bases across the country and approximately 450,000 displaced to neighbouring countries such as Ethiopia, Kenya, Sudan and Uganda.¹ Despite the African Union-led peace talks between the belligerent parties in Addis Ababa, there is continued fighting in Jonglei, Unity and Upper Nile states.

¹ WFP Situation Report: South Sudan Crisis - Regional Impact, #33 of 29 August 2014

2. The crisis has also affected supply lines to approximately 220,000 refugees from neighbouring Sudan, who were hosted in South Sudan, and live mainly in the states affected by the conflict². According to the Integrated Phase Classification (IPC) conducted in May, 3.9 million people are in emergency or crisis levels of food insecurity between June and August 2014.
3. Against this backdrop, humanitarian organizations are scaling up their activities to respond to the urgent needs of affected populations. The humanitarian community has conducted more than 60 initial rapid needs assessments (IRNAs) and implemented strategies such as the “Integrated Rapid Response Mechanism” (IRRM), involving WFP-led mobile teams deployed to deep field areas.
4. Within the current context, access to most areas has been severely disrupted due to continued fighting and this is hampering the delivery of food and other essential relief items. With the onset of the rainy season, the humanitarian response faces even more daunting logistical challenges, as supplies can no longer be moved overland due to inaccessible roads. Consequently, the humanitarian community continues to struggle to provide essential relief items to people displaced by the conflict and an increase in air services remains the only means of reaching targeted areas. Safe commercial air transport is still lacking in South Sudan and UNHAS remains the only common air service for humanitarian organizations.
5. In view of these additional requirements, UNHAS has reviewed its fleet in order to meet the needs of the humanitarian community. In June, UNHAS increased the number of helicopters because a significant number of fixed-wing flights to key airstrips were cancelled due to rains. The need to increase the number of helicopters was emphasized by the Humanitarian Country Team through an emergency inter-cluster meeting on 28 June 2014 that discussed the operational response plan to access Bentiu, Unity State following renewed fighting. The new fleet composition was endorsed by the UNHAS Steering Committee meeting on 3 July 2014.
6. Currently, UNHAS supports more than 270 humanitarian organizations with scheduled flights to access 40 locations across the country on regular basis. There are also ad-hoc flights to more than 35 other destinations. During the period 1 January - 30 June 2014, UNHAS South Sudan’s fleet transported 36,073 passengers and 689 mt of light cargo. It also facilitated 128 medical evacuations and 1,222 security relocations. Several special flights were also conducted in support of joint assessment missions on security, protection, health and food security.

JUSTIFICATION FOR THE REVISION:

7. This budget revision is required for the following reasons:
 - a. Fleet Expansion: The current emergency in South Sudan is one of the worlds largest and humanitarian operations have scaled up significantly. Consequently, UNHAS has progressively increased its fleet to correspond to humanitarian needs. The initial budget was based on a fleet composition of 7 fixed-wing aircraft: one Fokker-50, two Dash-8, one Dornier-228 and three Cessna Caravans. This has since been expanded with an additional seven aircraft – two Cessna Caravans, three Mi-8 helicopters, one DHC-6 Twin-Otter and an all-cargo HS-748 – bringing the current fleet to 14 aircraft. Provision has also been made for a further aircraft in September, which will increase the fleet total to 15 aircraft.

² Global Emergency Overview, ACAPS, 22-29 July 2014

b. Increased Staff and Associated Costs: In order to ensure effective service delivery, additional staff have been included under the revised budget. This includes staff in operations (air transport officers, air movement officers, flight following assistants) and management support (performance management, finance and administration). Also, with the deteriorating security situation in most parts of the country, staff entitlements were reviewed with the introduction of incentives such as danger pay and changed rest & recuperation (R&R) cycles in most duty stations. These imply an increase in the initial budget.

c. Other Operational Expenditures: The current context requires provision for other operational expenditures, which were not foreseen under the original budget, but are being incurred. These include: aeronautical charges associated with aircraft handling and landing/over-flight permits; painting and livery (of newly contracted aircraft); additional war risk insurance for aircraft; increased costs in crew accommodation, meals and transport (AMT); and minor repairs or construction of airport and/or ramp facilities to ensure an all-season operation. In particular, it is vital to prepare and maintain remote airstrips and helicopter landing sites to sustain UNHAS operations in support of life-saving humanitarian programmes.

8. The objectives of the project are as follows:

- Provide access to remote, and isolated programme implementation locations in a reliable, safe, effective, and efficient manner to over 270 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 medical and security evacuation capacity for the humanitarian community in South Sudan.

9. The revised key performance indicators based on the project's historical statistics in 2014 are as follows (for the period of the budget revision):

- Number of passengers transported against planned. (target: 7,500 passengers per month);
- Tonnage of light cargo transported against planned (target: 150 mt month);
- Percentage of booking requests served against promised capacity (target: 95%);
- Number of humanitarian organisations utilizing the service (target 270 user organisations);
- Percentage response to medical and security evacuations (target: 100%).

10. The ethos of value-for-money has been rolled out in the project since June 2014 through the Performance Management Framework. The framework was presented to the UNHAS Steering Committee, the User Group Committee and some key NGOs in June 2014. Through the framework and other existing tools, the project will constantly be reviewed and the specifics of its implementation adapted to changing realities to meet the needs of the humanitarian community.

RECOMMENDATION

In light of the above, this budget revision to expand air services in South Sudan, with a subsequent budgetary increase of **US\$20,100,947** is submitted for approval to the Deputy Executive Director and Chief Operating Officer.

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ANNEX A

UNHAS South Sudan Routes (as of August 2014)

