

Budget Increase to Emergency Operation (EMOP) 200298 in the occupied Palestinian territory

“Emergency food assistance to the non-refugee population in the Gaza Strip”

Start date: 1 January 2012

End date: 30 June 2014

Extension period: 6 months

New end date: 31 December 2014

Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	79,141,673	13,829,580	92,971,253
Cash and Vouchers and Related Costs	18,488,192	4,829,000	23,317,192
Capacity Development & Augmentation	220,000	80,000	300,000
DSC	9,348,195	2,080,860	11,429,055
ISC	7,503,864	1,457,361	8,961,225
Total cost to WFP	114,701,924	22,276,801	136,978,725

NATURE OF THE INCREASE

1. This budget increase and extension-in-time to Emergency Operation (EMOP) 200298 ‘Emergency food assistance to the non-refugee population in the Gaza Strip’ proposes to:
 - extend the operation from 1 July to 31 December 2014, while maintaining the same activities and number of beneficiaries (285,000);
 - increase the budget by USD 22,276,801, to include:
 - a corresponding additional 20,244 MT in food transfers, valued at USD9,737,638; and,
 - additional value-based voucher transfers valued at USD4,554,000.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

2. WFP assists the non-refugee population in the Gaza Strip while the United Nations Relief and Works Agency for Palestinians (UNRWA) targets registered refugees. The number of refugees is 1.1 million, while the non-refugee population in Gaza is estimated at nearly 550,000.¹
3. The EMOP addresses WFP Strategic Objectives 1 “Save lives and protect livelihoods in emergencies” and 3 “Reduce risk and enable people, communities and countries to meet

¹ Palestinian Central Bureau of Statistics. *On the Eve of the International Day of Refugees*. June 20, 2013

their own food and nutrition needs.” It supports Millennium Development Goals 1 “Eradicate extreme poverty and hunger” and 2 “Achieve universal primary education.” The EMOP is in line with the Palestinian Authority’s priorities for the Gaza Strip.

4. WFP is providing assistance through the following activities:

- **General food assistance (GFA-food):** to 170,000 food-insecure beneficiaries living below the national deep poverty line and with the highest food consumption gaps. GFA is implemented in partnership with the Ministry of Social Affairs (MoSA) and with the international non-governmental organization Global Communities.
- **Support to institutions:** In partnership with MoSA, WFP provides assistance to 7,000 individuals in orphanages and other special care institutions through food rations and fortified biscuits.
- **General food assistance using value-based-vouchers (GFA-voucher):** implemented in partnership with Oxfam GB, targets 50,000 food-insecure beneficiaries living below the national deep poverty line and with a poor or borderline Food Consumption Score (FCS). Families receive debit cards which allow them to purchase dairy products, eggs, cereals, bread, and other nutritious locally-produced food. The value of the voucher is calculated based on the local market value of the in-kind ration, which is USD12.5/person/month.
- **A combined in-kind/voucher modality:** piloted in partnership with Global Communities and Oxfam GB targets 10,000 extremely poor beneficiaries. Beneficiaries receive a ration of fortified wheat flour equivalent to that provided under the GFA-food modality, in addition to a GFA-voucher valued at USD9/person/month.
- **The School Feeding activity:** targets 80,000 schoolchildren in primary schools managed by the Ministry of Education and Higher Education (MoEHE). It addresses short-term hunger and meets nutritional needs through the provision of locally-produced fortified biscuits which also help boost concentration levels. Health awareness sessions are provided to students and their families to improve knowledge on healthy food and nutrition practices.
- **The “Nutrition Awareness Campaign”:** targets 1,000 female voucher beneficiaries. The activity aims to sensitize participants on appropriate nutritional practices and increase the dietary impact of the voucher programme.

Conclusion and Recommendations of the Re-Assessment

5. The blockade on the Gaza Strip, in force since June 2007, has caused severe restrictions on the entry of goods, a virtual halt on exports, and strict limitations on the cross-border movement of Gaza residents. The protracted humanitarian situation is punctuated intermittently by conflict, resulting in increased humanitarian needs.
6. Recent humanitarian appeals for Gaza and the West Bank have underlined: the lack of political progress in the peace process, internal divisions, and the compounded effect of long-term policies linked to the occupation as the root causes of suffering and vulnerability. Durable solutions, development and peace can only come from a political settlement.²
7. According to the 2012 Socio Economic and Food Security Survey, the overall prevalence of food insecure households in Palestine rose from 27 percent in 2011 to 34 percent in 2012.³ In the Gaza Strip, food insecurity levels reached 57 percent, a surge from 44 percent in 2011, and the share of food secure households dropped from 23 to 10 percent. Around 89

² OCHA. 2014 *Humanitarian needs overview*.

³ WFP/Food and Agriculture Organization of the United Nations (FAO)/United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), *Socio-Economic and Food Security Survey Report. West Bank and Gaza Strip, Palestine, 2012*.

percent of Gazan households continue to rely heavily on negative coping mechanisms, such as purchasing low quality market “leftovers” (54 percent), receiving assistance from friends or relatives (56 percent), or defaulting payment of utility bills (39 percent).⁴

8. Gaza’s previously dynamic and trade-oriented economy and its capacity to create jobs has been destroyed. The vast majority of the population have fallen into food insecurity, with no other choice but reliance on assistance. Until access to Gaza’s traditional markets—the West Bank and Israel—is secured, sustainable recovery of the local economy will remain elusive and the vicious cycle of unemployment, food insecurity and aid dependency will continue. With the blockade in place, there are currently no short-term, quick-fix solutions to replace essential humanitarian aid. An analysis of local market wheat flour flows shows that purchasing power is extremely low in Gaza and high unemployment levels make it difficult for poor and very poor households to survive without external assistance.
9. Limited functioning of the Rafah crossing and the almost total closure of the informal tunnels stemming from the political crisis in neighbouring Egypt have further negatively impacted the fragile humanitarian situation. Goods coming into Gaza through Israel cost up to 50 percent more than those from Egypt. With the average Gazan household already spending 50 percent of its income on food, price inflation on basic goods and services is further eroding resilience and worsening food insecurity.
10. Approximately 44 percent of households in Gaza have family members employed in the public sector and recurrent fiscal crises routinely delay civil servants’ payments. The construction sector has also been a traditional source of employment and income, but the reduction of trade has virtually stopped construction materials crossing into Gaza. The Palestinian Contractors Union has estimated that by the end of January 2014, in addition to 11,000 construction job losses, another 40,000 people primarily involved in related activities had been severely affected.⁵
11. Between the second and fourth quarter of 2013, the unemployment rate surged from 27.9 to 38.5 percent, the highest since 2010. Youth are among the hardest hit, representing almost half of all unemployed people in the Gaza Strip. The female youth unemployment rate remains the highest, at 87 percent.
12. Since 2008, Gaza residents have been prohibited from accessing farmland located up to 1,500 metres from the *Green line*,⁶ an area estimated to make up 35 percent of Gaza’s agricultural land. In addition, while fishing areas along the coast of the Gaza Strip were set at 20 nautical miles under the Oslo Accords, access restrictions have left an area which is insufficient for sustainable fishing.⁷
13. Besides the continuous deterioration of the socio-economic conditions of its population, the Gaza Strip is regularly hit by natural hazards which inflict additional stress on vulnerable groups and impact their purchasing power and food consumption. In December 2013, winter storm Alexa caused massive flooding, resulting in losses of USD76 million in damaged structures and production.⁸
14. While undernutrition rates (stunting and wasting) in children under 5 years old are low, other indicators are increasing public health concerns.⁹ The prevalence of anaemia reaches

⁴ Ibid.

⁵ OCHA. *oPt Humanitarian bulletin*, January 2014

⁶ The demarcation lines set out in the 1949 Armistice Agreements between Israel and its neighbours

⁷ The restrictions on fishing area were reduced to 3 nautical miles in 2009 and then increased to 6 miles in 2013.

⁸ FAO. *Winter storm Alexa: revised agricultural damage/loss assessment and response WB and GS*. Feb 2014.

⁹ Palestinian National Authority Ministry of Health. *National Nutrition Surveillance Report 2012*. National 2013 nutritional indicators: Anemia percentage among children 9-12 months 57 percent and pregnant women in Gaza 68 percent; Overweight among school children (BMI) 18.7 percent and among women 32.5 percent. Stunting is 11.5 percent. GAM is 4.6% (under the standard <5%), Stunting is 5.1% (under the standard <20%), and underweight is 3.72% (under the standard of <10%).

68 percent among children aged 6-59 months and 39 percent among pregnant women.¹⁰ United Nations agencies and partners are monitoring the nutrition situation. In order to update nutritional indicators, the United Nations Children's Fund (UNICEF) is finalizing a multi-cluster indicators survey (expected in late 2014), which will provide updated data on the nutritional situation. In addition, a Micronutrient Survey (expected in the third quarter of 2014) will provide information on iodine and sodium levels in schoolchildren and children under the age of five.

Purpose of Extension and Budget Increase

15. This budget increase and extension-in-time will allow WFP to continue interventions for an additional six months in support of 285,000 beneficiaries, while allowing for the preparation of a new protracted relief and recovery operation (PRRO) that will cover relief and recovery activities in the West Bank and in the Gaza Strip. The new PRRO will be aligned to the new United Nations Development Assistance Framework (UNDAF), the Palestinian Authority National Development Plan (2014-2016) and the updated Social Protection Sector Strategy (2014-2016).
16. Activities in the EMOP extension will continue as follows (see table 1 below):
 - 170,000 beneficiaries to be assisted under the GFA-food component implemented in partnership with MoSA and Global Communities;
 - 50,000 beneficiaries to be assisted under the GFA-voucher component in partnership with Oxfam GB;
 - 10,000 beneficiaries to be assisted under the combined in-kind/voucher pilot project in partnership with Oxfam GB and Global Communities;
 - 7,000 beneficiaries targeted through the support to institutions activity; and,
 - 80,000 children assisted through school feeding.
17. The number of beneficiaries and ration/voucher value per activity will be maintained under the extension period, focusing on the most food insecure households. During the extension period, WFP will carry out an internal evaluation of the voucher activity and the combined modality, in order to define the most appropriate interventions for the new PRRO, starting in 2015. Among the potential changes to the implementation of the combined modality, WFP and its partners are exploring the possibility for beneficiaries to collect wheat flour in 5 or 10kg bags directly in shop.
18. The beneficiaries assisted through GFA-food, GFA-voucher and combined in-kind/voucher modalities will continue to be selected based on the national proxy means testing formula and food consumption scores. WFP and partners will continue monitoring the eligibility of beneficiaries during the implementation period of each activity.
19. About 1,000 new female voucher beneficiaries will participate in the "Nutrition Awareness Campaign," building on the evidence that the project: i) increases resilience by providing a peer support group beyond close relatives; ii) increases health and nutrition knowledge of women and their household members; iii) provides women with control over family decisions; and, iv) develops the capacity of local civil society to implement interventions which positively contribute to the food security and the empowerment of women.¹¹ Overall, 94 percent of participating women showed increased awareness of the utilisation of nutritious food; and 39 percent had increased knowledge about balanced diets. The

¹⁰ PCBS, UNICEF, UNFPA. 2011, *Palestinian Family Survey, 2010*

¹¹ WFP, Oxfam GB, Ard El Insan. *Nutrition Awareness Campaign for Female Beneficiaries of WFP's Value Based Voucher (VBV) Programme – Gaza*. December 2013

proportion of participants who reported that peers in their informal neighbourhood groups constituted a source of support when facing difficulties increased from 78 percent at the beginning to 94 percent at the end of the previous campaign.

20. The food ration provides beneficiaries with the required macro- and micro-nutrients, in line with WFP's nutritional guidelines and Palestinian eating habits. GFA-food beneficiaries will receive a food ration of fortified wheat flour, pulses, vitamin A and D fortified vegetable oil, iodized salt and sugar, covering around 90 percent of daily caloric needs. Wheat flour is fortified according to Palestinian Authority standards with a premix containing vitamin B complex, folic acid, zinc, iron, and vitamins A and D.
21. WFP will continue to be an active player in the inter-agency groups and inter-cluster coordination groups. In addition, WFP will continue co-leading the food security sector in Palestine with the Food and Agriculture Organization of the United Nations (FAO).

TABLE 2: DAILY FOOD RATION/ TRANSFER BY ACTIVITY

(person/day)

Commodity Type/ voucher	General food assistance (g)	Support to institutions (g)	School feeding (g)	Voucher (USD)	Combined in- kind/Voucher
Cereals (fortified wheat flour)	422	422			422
Pulses (chickpeas)	23	23			
Vegetable oil	30	30			
Iodized salt	6	6			
Sugar	25	25			
Date bars (fortified)		60	60		
Total Voucher (USD)				12.5	9
Total Food (g)	506	566	60		422
<i>Total kcal/day</i>	<i>1 926</i>	<i>2 184</i>	<i>258</i>		<i>1 926</i>
% Kcal from protein	11%	15.8%	4.8%		11%
% Kcal from fat	17.6%	24.8%	7.2%		17.6%
Number of feeding days per year	365	365	173	365	365

FOOD REQUIREMENTS

22. The additional and total food quantity and value-based voucher are set out in Table 3:

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY				
		Food requirements (mt) Cash/voucher (US\$)		
Activity	Commodity (mt) / voucher (US\$)	Current Jan 2012 – June 2014	Increase July 2014-December 2014	Revised total
General food assistance	Commodity	87,506	19,214	106,720
	Voucher (US\$)	17,582,333	4,554,000	22,136,333
Support to institutions	Commodity	3,610	713	4,323
School feeding	Commodity	2,020	317	2,337
Contingency Stock	Commodity	2,537	0	2,537

Hazard / Risk Assessment and Preparedness Planning

23. Risks that may negatively impact WFP's operations, which are addressed through WFP's minimum preparedness actions, include:
- Deterioration of security and the political situation in the Gaza Strip;
 - A sharp increase in food and fuel prices, further tightening of the blockade, and escalation of the Egyptian crisis in Sinai with consequent permanent closure of the tunnels;
 - Overall paralysis of Palestinian Authority institutions due to the lack of international assistance; and
 - Occurrence of natural disaster.
24. The WFP Country Office in Palestine has a comprehensive Contingency Plan in which different scenarios are developed to address risks, including natural disasters (flooding being the most frequent, but contingency scenarios have also been drafted for earthquakes). In order to further mitigate risks, WFP is working on several implementation scenarios with its implementing partners to ensure minimum operational levels in case of crises.
25. WFP regularly updates its internal Risk Register and its Emergency Preparedness and Response Plan, incorporating the worst-case scenarios for identified risks. Planning assumptions with response plans, and risk management and mitigation schemes, including a food commodity contingency stock, have been developed. WFP also works through the United Nations Country Team and the Food Security Sector to constantly monitor, analyze and control potential risks.

Approved by:

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Date:

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>	-	-	
Cereals	17,175	7,123,044	
Pulses	733	364,301	
Oil and fats	956	1,108,004	
Mixed and blended food	392	666,399	
Others	988	475,890	
Total Food Transfers	20,244	9,737,638	
External Transport		831,709	
LTSH		2,725,373	
ODOC Food		534,860	
Food and Related Costs ¹²			13,829,580
C&V Transfers		4,554,000	
C&V Related costs		275,000	
Cash and Vouchers and Related Costs			4,829,000
Capacity Development & Augmentation			80,000
<i>Direct Operational Costs</i>			18,738,580
Direct support costs (see Annex I-B)			2,080,860
Total Direct Project Costs			20,819,440
Indirect support costs (7,0 percent) ¹³			1,457,361
TOTAL WFP COSTS			22,276,801

¹² This is a notional food basket for budgeting and approval. The contents may vary.

¹³ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (US\$)	
WFP Staff and Staff-Related	
Professional staff *	534,210
General service staff **	891,250
Danger pay and local allowances	-
Subtotal	1,425,460
Recurring and Other	230,000
Capital Equipment	80,000
Security	200,000
Travel and transportation	115,400
Assessments, Evaluations and Monitoring¹	30,000
TOTAL DIRECT SUPPORT COSTS	2,080,860

* 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

¹ 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 II: LOGICAL FRAMEWORK: Palestine EMOP 200298

CROSS-CUTTING RESULTS AND INDICATORS¹⁵

Result	Indicators	Risks, Assumptions
GENDER: Gender equality and empowerment improved ¹⁶	Proportion of assisted women, men or both women and men who make decisions over the use of cash, vouchers or food within the household <u>Target:</u> tbc	Funding availability for targeted interventions
PROTECTION AND ACCOUNTABILITY TO AFFECTED POPULATIONS WFP assistance delivered and utilized in safe, accountable and dignified conditions	Proportion of assisted people who do not experience safety problems travelling to, from and/or at WFP programme sites <u>Target:</u> 80% Proportion of assisted people informed about the programme (who is included, what people will receive, where people can complain) <u>Target:</u> 70%	Adequacy of distributions points Partners' staff have technical skills to manage and organize distributions
Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
Strategic Objective 1: Save lives and protect livelihoods in emergencies <u>Goals:</u> 1: Meet urgent food and nutrition needs of vulnerable people and communities and reduce under nutrition to below emergency levels <u>Components:</u> GFA in Gaza Strip (food, vouchers or combination of food and vouchers), and School Feeding		

¹⁵ The partnership indicators are not applicable for Gaza Strip due to political considerations.

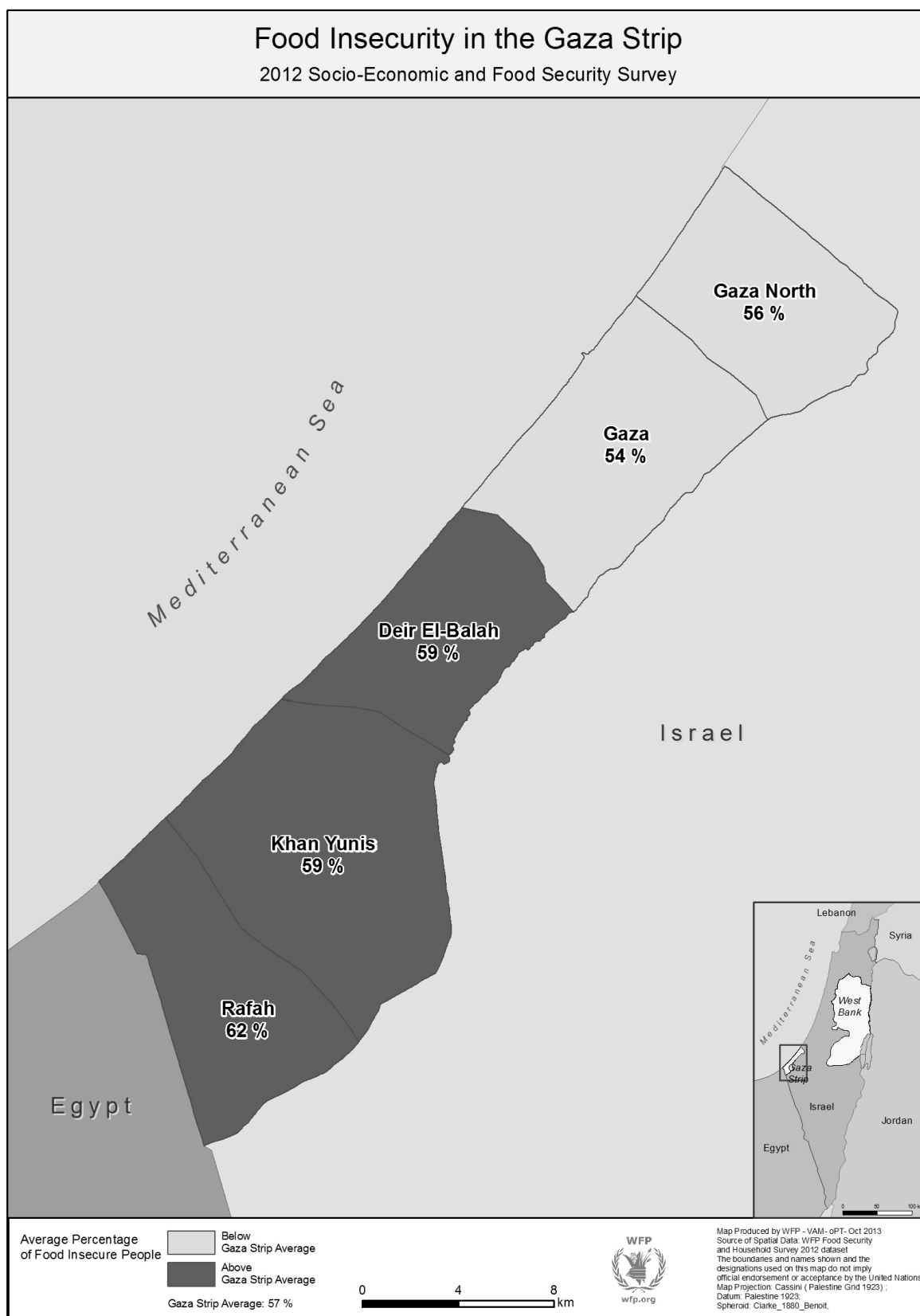
¹⁶ The other two gender indicators are not selected as they are not applicable in the Gaza context. Local committees do not exist due to the political context.

<p>Outcome 1.1 Stabilized or improved food consumption over assistance period for targeted households and/or individuals</p>	<p>1.1.1 Food consumption score, disaggregated by sex of household head Target: Proportion of targeted households with poor FCS Baseline: 20% Target: 16%¹⁷</p> <p>1.1.2 Diet diversity score, disaggregated by sex of household head Target: Increased diet diversity score of targeted households Baseline: 5 Target: 6</p>	<p>Political and security environments improve Beneficiaries will use cash saved from food/voucher assistance to buy other complementary, nutritious food items to supplement their diet</p>
<p>Output 1.1.1 Food, nutritional products and vouchers distributed in sufficient quantity, and quality and in a timely manner to targeted beneficiaries</p>	<p>1.1.1.a Number of women, men, boys and girls receiving food assistance, disaggregated by activity, beneficiary category, sex, food, and vouchers, as % of planned Target: GFA beneficiaries: 237,000</p> <p>1.1.1.b Quantity of food assistance distributed, as % of planned distribution (disaggregated by type) Target: 16,514 MT</p> <p>1.1.1.c Total value of vouchers distributed (expressed in food/cash) transferred to targeted beneficiaries as % of planned Target: US\$ 4,554,000</p>	<p>Target population participates in identification, planning, implementation and maintenance of project activities Appropriate partners are selected for implementation Partners' commitments are honored Access to distribution points is secured No pipeline breaks occur WFP and partners respect field-level agreements to enable programme to function smoothly WFP partners have adequate human resources capacity for planning, monitoring and accountability of the project Food items are readily available in shops upon presentation of vouchers Security incidents do not affect shopkeepers or beneficiaries directly Staple food prices remain stable Fuel prices remain stable</p>
<p>Outcome 1.2 Restored or stabilized access to basic services</p>	<p>1.2. A Retention rate of boys and girls Target: 90% retention of enrolled boys and girls</p>	<p>Political and security environments improve Budget allocations to basic education are adequate and timely.</p>

¹⁷ The FCS target implies a 20 percent reduction and is below the corporate target due to continuous political instability in the country.

<p>Output 1.2.1 Food, and nutritional products distributed in sufficient quantity, and quality and in a timely manner to targeted beneficiaries (children)</p>	<p>1.2.1.a Number of beneficiaries (boys and girls) receiving food assistance, disaggregated by gender as % of planned Target: 80,000 children 1.2.1.b Quantity of food assistance distributed, disaggregated by type, as % of planned Target: 100% (760 MT) 1.2.1.c Number of institutional sites assisted (e.g. schools) Target: 148 schools</p>	<p>WFP and partners respect field-level agreements to enable programme to function smoothly WFP partners have adequate human resources capacity for planning, monitoring and accountability of the project No Pipeline breaks Schools keep functioning properly.</p>
<p>Strategic Objective 3: Reduce risk and enable people, communities and countries to meet their own food and nutrition needs Goals: 2: Leverage purchasing power to connect smallholder farmers to markets, reduce post-harvest losses, support economic empowerment of women and men and transform food assistance into a productive investment in local communities Component: Support local economy using WFP's purchasing power to expand domestic production and support local supply chains</p>		
<p>Outcome 3.1 Increased marketing opportunities for producers and traders of agricultural products and food at the regional, national and local levels</p>	<p>3.1.A Food purchased from regional, national and local suppliers, as % of food distributed Target: 100% (17,273 MT) 3.1.B Fortified food purchased from national and local suppliers, as % of fortified food distributed by WFP in-country Target: 100% (3,424 MT)</p>	<p>Competitive prices prevail at regional and national levels</p>
<p>Output 3.1.1 Increased WFP food purchase from regional, national and local markets and smallholder farmers</p>	<p>3.1.1.a Quantity of food purchased locally through local and regional purchases (in mt) Target: 3,424 MT</p>	<p>Food is available locally in sufficient quantity and quality</p>

MAP



ACRONYMS USED IN THE DOCUMENT

DSC	DIRECT SUPPORT COSTS
EMOP	EMERGENCY OPERATION
FAO	FOOD AND AGRICULTURE ORGANIZATION
FCS	FOOD CONSUMPTION SCORE
GFA-FOOD	GENERAL FOOD ASSISTANCE USING FOOD PARCELS (IN-KIND)
ISC	INDIRECT SUPPORT COSTS
LTSH	LANDSIDE TRANSPORT, STORAGE AND HANDLING
MoSA	MINISTRY OF SOCIAL AFFAIRS
MoEHE	MINISTRY OF EDUCATION AND HIGHER EDUCATION
Mt	METRIC TON
NIS	NEW ISRAELI SHEKEL
ODOC	OTHER DIRECT OPERATIONAL COST
oPt	OCCUPIED PALESTINIAN TERRITORY
OXFAM GB	OXFAM (GREAT BRITAIN)
UN	UNITED NATIONS
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNICEF	UNITED NATIONS CHILDREN’S FUND
UNRWA	UNITED NATIONS RELIEF AND WORKS AGENCY
US\$	UNITED STATES DOLLAR
WFP	WORLD FOOD PROGRAMME