

Somalia Special Operation 200507
Provision of Humanitarian Air Services in Somalia and in Kenya

B/R No.: 01

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

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

CLEARANCE through:

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

RELEASED FOR APPROVAL:

Chief of Staff, OED
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APPROVAL:

Deputy Executive Director and COO
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PROJECT: Somalia/Kenya SO 200507

	Previous Budget	Revision	New Budget
CD&A (US\$)	58,126,440	26,078,973	84,205,413
DSC (US\$)	8,212,630	1,469,260	9,681,890
ISC (US\$)	4,643,735	1,928,376	6,572,111
Total WFP cost (US\$)	70,982,805	29,476,609	100,459,414

TYPE OF REVISION

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

NATURE OF REVISION:

This budget revision seeks to extend Special Operation 200507 “Provision of Humanitarian Air Services in Somalia and in Kenya” in time for 12 months with a subsequent total budget increase of US\$29,476,609 to ensure the continued provision of air transport services to the humanitarian community in Somalia and Kenya until 31 December 2015. The original budget was approved for US\$70,982,805 for the period 01 January 2013 to 31 December 2014.

BACKGROUND:

1. Somalia is among the most dire and complex emergencies in the world, as a result of a combination of conflict, massive displacement and drought. The country did not have a functional government for over 20 years, until a new government was formed in 2012. There are ongoing conflicts due to a complex anti-government insurgency that continues leading to alarming rates of displacement. New areas are being opened up for humanitarian access especially in the southern part of the country. However, the government can only control some major towns while the large surrounding areas are not safe for road travel. Large distances, poorly developed infrastructure and challenging security situations, limit access to beneficiaries.

2. This leads to a continuing need for reliable air access in the country. The lack of viable commercial alternatives to fly into and across Somalia makes UNHAS one of the few options through which humanitarian personnel can travel to project implementation sites safely. The ongoing violence in Somalia continues to displace hundreds of thousands of Somalis. By October 2014, UNHCR reported an estimated 1.1 million IDPs, while more than 950,000 Somalis are refugees in neighbouring Kenya, Ethiopia and Yemen.¹ Given the fluid security environment inside Somalia, UNHAS' service makes it critical for non-governmental organizations (NGOs) and United Nations (UN) agencies to implement and closely monitor lifesaving projects in Somalia.
3. With a fleet of six aircrafts operating out of Nairobi, Hargeisa and Mogadishu, UNHAS plays a vital role in the overall humanitarian response by ensuring reliable access to 13 regular and several ad-hoc destinations across Somalia and two scheduled destinations in Kenya. Currently, over 130 user entities comprising NGOs, UN agencies, donor organizations and diplomatic missions rely on UNHAS to carry-out humanitarian activities.
4. The interests of the humanitarian community will continue to be represented by the UNHAS User Group Committee (UGC) composed of NGOs, UN agencies and donor representatives in Nairobi, where most country offices of the organizations are based. The UGC meets regularly and handles administrative matters, provides feedback on service quality and identifies destinations to be served. The Steering Committee (SC) meets twice a year and is responsible for establishing administrative policies that detail eligibility of organizations, priority of passengers and cargo, cost recovery procedures and endorses proposed strategies and supports fundraising for the operation.
5. Fleet composition and operational routes have been determined after needs assessments and consultations with the UGC and other stakeholders. Further, quantitative analyses of passenger booking requests and trends in passenger numbers transported to the various destinations are being conducted regularly.
6. The current Special Operation was established for a period of 24 months (01 January 2013 – 31 December 2014) with an original budget of US\$70,982,805. This budget revision is required to extend the project in time until 31 December 2015 with a corresponding budget increase of US\$29,476,609.

JUSTIFICATION FOR THE REVISION:

7. This budget revision to continue the provision of air services in order to facilitate humanitarian staff travel to various locations in Somalia and Kenya is deemed necessary due to the following factors:

- a. Continuous Need for Humanitarian Assistance:

More than 200,000 children under the age of five are acutely malnourished and increasing numbers of severe malnutrition are experienced across Somalia. As of September 2014, nearly half the population of the country is estimated to need lifesaving or livelihood assistance. These 3.2 million people are vulnerable to external shocks and lack access to basic goods and services. Due to the launch of the Somali National Armed Forces (SNAF) and African Union Mission in Somalia (AMISOM) military offensive against the Al-Shabaab militant group in south-central Somalia, more than 80,000 Somalis have been displaced in 2014 alone. Despite the political changes, security is said to have deteriorated. Internal localized conflicts continue to result in a high level of

¹ ACAPS, Global Emergency Overview, Snapshot 26 November – 02 December, p. 28

insecurity in the country, which makes surface travel hazardous for humanitarian aid and relief workers.²

As of October 2014, Kenya is hosting more than 585,000 refugees out of which 75 percent are Somalis. Most of the Somali refugees in Kenya are located in the Dadaab and Alinjugur refugee camp complex, while the remaining 55,000 live in Kakuma camp and 32,000 are in Nairobi. Kakuma camp is overpopulated and flooding from heavy rains between late August and early September 2014 has seriously hampered access by road for humanitarian aid workers.³

The humanitarian situation in Somalia and in the refugee camps in Kenya is expected to present significant challenges to humanitarian actors in 2015. The ability of the humanitarian community to continue responding effectively to these needs will depend on uninterrupted access to beneficiaries, hence the need for a reliable air service.

b. Lack of Alternative Means of Transport:

Poor infrastructure, long distances and the lack of reliable air transport providers make the continued presence of UNHAS crucial to support humanitarian aid and relief programs in Somalia to facilitate the delivery of humanitarian assistance to the affected populations. No commercial air services are available within Somalia to serve the humanitarian community and the only service cleared for UN staff travels between Nairobi and Mogadishu operates irregularly with limited seat capacity. In Kenya, no commercial airline operates between Nairobi and the refugee camps. The only alternative is to travel by road through insecure areas, which is risky and time-consuming. For example, it takes one day to reach Dadaab and Kakuma from the capital.

c. Increased Demand:

Locations in South-Central Somalia have recently opened up following the SNAF-AMISOM offensive against Al-Shabaab, which commenced in March 2014. Increasing access is required by the humanitarian community to reach newly liberated towns such as Wajid, Hudur, Beletweyne, Baidoa and Garbahare. It is expected that further locations will soon become accessible and an increased demand by the humanitarian community to enact their programs is hence foreseen.

8. From January to October 2014, UNHAS transported 53,137 passengers and more than 320 mt of light cargo⁴. For the same period, 60 medical evacuations were carried out. UNHAS is meeting user needs with a fleet of six aircraft, comprising of one Mogadishu based Dornier 228, one Hargeisa based Beechcraft 1900, one Caravan C-208, two Dash 8 and one Q400 aircraft. UNHAS conducts air services for over 130 humanitarian organizations to at least 15 locations in Somalia and in Kenya. In Kenya, UNHAS provides a weekly service to 45 different UN agencies and NGOs actively engaged in humanitarian activities in the Dadaab and Kakuma refugee camps and other destinations in northern Kenya upon request.
9. Through regular consultations with the UGC and relevant stakeholders, UNHAS with the endorsement of the UNHAS Steering committee monitors the changing situation and adapts the fleet structure accordingly to surge demands and ensure an optimum balance between efficiency, effectiveness and economy.

² ACAPS, Global Emergency Overview, Snapshot 26 November – 02 December, pp. 26-28

³ ACAPS, Global Emergency Overview, Snapshot 26 November – 02 December, p. 51

⁴ In addition, in support of the Logistics Cluster, UNHAS transported approximately 789 mt of cargo between August and October 2014.

10. It is estimated that donor contributions will make up 40% of the budget requirements while 60% will be generated from cost recovery on ticket sales. Full cost recovery will be applied to special and unscheduled flights.
11. The objectives of the project are as outlined in the original project document and will remain as follows:
 - a. To provide safe, efficient and cost-effective inter-agency air transport service for over 100 UN agencies, NGOs and donor organizations operating in both Somalia and Kenya;
 - b. To transport light cargo such as medical supplies, specialized emergency food stuff and high value equipment (ICT); and
 - c. To provide timely medical and security evacuations for the humanitarian community in the region.
12. The project's key performance indicators have been revised to align with other UNHAS projects' indicators and will include the following:
 - a. Number of Needs Assessments carried out (target: four);
 - b. Number of passengers transported monthly against planned;⁵
 - Passenger segments (target: 5,000);
 - Passengers transported (target: 3,000);
 - c. Tonnage of light cargo transported monthly against planned (target: 30 mt)
 - d. Percentage of passenger bookings served (target: 95%)
 - e. Response to medical and security evacuation duly requested (target: 100%);
 - f. Number of agencies using the service (target: over 100);
 - g. Locations served (target: 15).
13. Stakeholder meetings, including with the UNHAS UGC, will continue to be organized on a regular basis. Additionally, surveys will be launched on customer satisfaction and access provision with an aim to receiving feedback from a wider audience and tailoring the use of air assets to real demands.
14. The specifics of the implementation of this project will be constantly reviewed and tailored to changing realities on the ground according to the needs of the humanitarian community.

RECOMMENDATION

In the light of the above, this budget revision for extension in time for twelve months until 31 December 2015 with a subsequent budget increase of US\$29,476,609 is recommended for approval by the Deputy Executive Director and Chief Operating Officer.

DISTRIBUTION:

DED & COO	Deputy DED	Director, OSL
Chief, OSLT	Director, OSZ	Director, RMB
Chief, RMBP, OSZP, OSZR	Regional Director	Director, PGG
Country Director	Bgt/Prgrmming Officer, RMBP	RB Programme Advisor
OM Registry	Programming Assistant, RMBP	RB Programme Assistant
Liaison Officer, OMB	Director, OME	

⁵ The difference between 'passenger segments' and 'passengers transported' arises from the fact that one and the same passenger might be routed through multiple segments to get to the final destination. Hence, 'passenger segments' reflects the total number of passengers transported, including transits.