


**World Food
Programme**
PROJECT BUDGET REVISION FOR APPROVAL BY THE REGIONAL DIRECTOR

5) To:	Initials	In Date	Out Date	Reason for Delay
Miguel Barreto, Regional Director RBP				
4) Through:	Initials	In Date	Out Date	Reason for Delay
Regis Chapman, Programme Adviser, RBP				
3) Through:	Initials	In Date	Out Date	Reason for Delay
Andrew Stanhope Logistic Officer, RBP (change in LTSH and/or External Transport)				
2) Through:	Initials	In Date	Out Date	Reason for Delay
Joachim Groder Resource Management Analyst, RBP				
1) From:	Initials	In Date	Out Date	Reason for Delay
Kyungnan PARK Ecuador Country Director				

**Ecuador EMOP 200665
BR No. 2**

Total revised number of beneficiaries	161,000
Duration of entire project	6 months (21 April – 20 October 2016)
Extension / Reduction period	3 months
Gender marker code	2A
WFP food tonnage	0

Start date: 21/04/2016 End date: 20/7/2016 Extension/Reduction period: 3 months New end date: 20/10/2016
Cost (United States dollars)

	Current Budget	Increase (Decrease)	Revised Budget
Food and Related Costs	US\$ -	US\$ -	US\$ -
Cash and Vouchers and Related Costs	US\$ 11,790,783	US\$ -246,264	US\$ 11,544,519
Capacity Development & Augmentation	US\$ -	US\$ -	US\$ -
DSC	US\$ 1,542,780	US\$ 20,000	US\$ 1,562,780
ISC	US\$ 933,349	US\$ -15,838	US\$ 917,511
Total cost to WFP	US\$ 14,266,912	US\$ -242,102	US\$ 14,024,810

CHANGES TO:
Food Tool

- ☐ MT
☐ Commodity Value
☐ External Transport
☐ LTSH
☐ ODOC

C&V Tool

- ☒ C&V Transfers
☒ C&V Related Costs

☐ **CD&A**

- ☒ DSC
☒ Project duration
☐ Other

Project Rates

- ☐ LTSH (\$/MT)
☐ ODOC (\$/MT)
☒ C&V Related (%)
☒ DSC (%)



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NATURE OF THE INCREASE

1. *The purpose of Budget Revision (BR) 2 to the Corporate Emergency Operation (CR-EMOP) 200665 “Emergency Food Assistance to Populations Affected by Earthquakes in Ecuador” is to adjust project requirements to align to government priorities and to allow for the provision of food assistance to all targeted beneficiaries among the earthquake-affected vulnerable population. The objective of this BR is to:*
 - *Extend the operation in time by three months; and*
 - *Reduce the transfer value from USD 1.10 to USD 0.83 per person per day.*

JUSTIFICATION FOR THE REVISION

Summary of existing project activities

2. *In line with Strategic Objective 1 of WFP Strategic Plan 2014-2017 (Save lives and protect livelihoods in emergencies), this EMOP aims at:*
 - *Ensure that vulnerable people affected by the earthquake have adequate access to food; and*
 - *Prevent deterioration of nutritional status of the population.*
3. Under this project, WFP provides unconditional food assistance in the form of cash-based transfers to earthquake-affected populations.
4. In the immediate aftermath of the shock, WFP started responding to the needs of earthquake-affected populations by distributing commodity vouchers to people in shelters and hospitals. Thus far, about 105,700 people have received WFP food assistance.
5. *WFP complements government assistance in the earthquake-affected provinces. The government plans to provide economic incentives to families hosting displaced people who lost their houses. This strategy, implemented by the Ministry of Coordination for Social Development (MCDS) and the Ministry of Economic and Social Inclusion (MIES), is to encourage people to leave shelters and spontaneous camps and start rebuilding their livelihoods.*

Purpose of change in project duration

6. *On 30 May 2016, WFP signed a Letter of Understanding (LoU) with the MIES to provide a reduced monthly cash transfer of USD 100 per family (corresponding to USD 0.83/person/day) to cover the food and nutrition needs of registered beneficiaries for a period of three months. This food assistance will benefit people living with host families and vulnerable earthquake-affected populations in rural areas.*
7. *The change in transfer modality from commodity vouchers to cash transfers and the alignment of WFP operation to government priorities has delayed the start of cash distributions. Once the LoU was signed, in order to use the MIES platform of the*



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national social protection programme providing conditional transfers, MIES had to open a dedicated account at the Central Bank in order to receive WFP funds.

8. WFP is working closely with its government counterpart, the MIES, for beneficiary identification. Once the registration of earthquake-affected families in rural areas is completed by the National Institute of Statistics and Census (INEC), MIES will, with technical support from WFP, identify the most vulnerable families based on various criteria of food insecurity. This process has resulted in unavoidable delays in the distribution of cash transfers.
9. In light of the above mentioned delays, agreements with the host government, and in order to provide a meaningful transfer to all targeted earthquake-affected vulnerable populations, cash transfers will conclude in the month of September, followed by WFP post-distribution monitoring in October. This project extension in time implies an increase in direct support costs (DSC) and cash and voucher other costs.
10. The planned value of the cash transfer to earthquake-affect vulnerable populations will be aligned to the LoU with the Government.

	General Food Assistance
	Revised
Cash/voucher (US\$/person/day)	0.83
TOTAL	0.83
Number of feeding days per month	30

FOOD REQUIREMENTS

11. Changes in food, cash and vouchers requirements are indicated in table 3 below.

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY [OR COMPONENT]				
GFA	Commodity ¹ / Cash & voucher	CBT (US\$)		
		Current	Increase / Decrease	Revised total
General Food Dist.	Cash Transfer	\$10,834,773	-263,400	\$10,571,373
TOTAL		\$10,834,773	-263,400	\$10,571,373

Drafted by: [name] Country Office
 Cleared by: [name] Country Office on [date]
 Reviewed by: Vera Mayer, Regional Bureau
 Cleared by: Regis Chapman, Regional Bureau



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ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>			
Cereals	-	-	
Pulses	-	-	
Oil and fats	-	-	
Mixed and blended food	-	-	
Others	-	-	
Total Food Transfers	-	-	
External Transport		-	
LTSH		-	
ODOC Food		-	
Food and Related Costs ²		-	0
C&V Transfers		-\$263,400	
C&V Related costs		\$17,136	
Cash and Vouchers and Related Costs		-	-\$246,264
Capacity Development & Augmentation		-	
<i>Direct Operational Costs</i>			-\$246,264
Direct support costs (see Annex I-B)			\$20,000
Total Direct Project Costs			-\$226,264
Indirect support costs (7.0 percent) ³			-\$15,838
TOTAL WFP COSTS			-\$242,102

² This is a notional food basket for budgeting and approval. The contents may vary.

³ 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 *	
General service staff **	
Danger pay and local allowances	-
Subtotal	
Recurring and Other	
Capital Equipment	\$15,500
Security	-
Travel and transportation	\$4,500
Assessments, Evaluations and Monitoring ⁴	-
TOTAL DIRECT SUPPORT COSTS	\$20,000

* 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

⁴ 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.