

BUDGET INCREASE TO EMERGENCY OPERATION

Title of the project: Emergency Operation in response to conflict in South Sudan

Start date: 1 October 2015 End date: 30 September 2016 Extension/Reduction period: 12 months New end date: 30 September 2017

Total revised number of beneficiaries	3,003,000		
Duration of entire project	1 October 2015 – 30 September 2017		
Extension/Reduction period	12 months		
Gender marker code	2A		
WFP food tonnage	518,597 mt		
Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	432,978,886	540,480,858	973,459,743
Cash and Vouchers and Related Costs	24,848,283	50,088,093	74,936,376
Capacity Development & Augmentation	-	-	-
DSC	60,368,593	73,028,253	133,396,845
ISC	36,273,703	46,451,804	82,725,508
Total cost to WFP	554,469,464	710,049,008	1,264,518,472

NATURE OF THE INCREASE

- This revision extends emergency operation 200859 from 1 October 2016 to 30 September 2017 to allow WFP to continue meeting the critical food and nutrition needs of over 3 million extremely vulnerable people in South Sudan. The budget revision of nearly USD 710 million will increase:
 - food requirements by 287,821 mt valued at USD 121.8 million;
 - cash-based transfers (CBTs) by USD 42.7 million;
 - associated costs by USD 499 million, consisting of external transport, landside transport, storage and handling, other direct operational costs related to food, cash related costs and direct support costs; and
 - indirect support costs by USD 46.5 million.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

- WFP has two operations in South Sudan.
 - Emergency operation (EMOP) 200859 currently meets the emergency food security and nutrition needs of people in the conflict affected Greater Upper Nile Region and in

protection of civilians (PoC) sites. In the same places it also provides specific nutrition responses for treatment of moderate acute malnutrition and prevention of chronic and acute malnutrition for vulnerable children and pregnant and lactating women. School meals are also provided in some locations.

- Protracted relief and recovery operation (PRRO) 200572 focuses on areas less affected by the conflict and currently implements food assistance for assets, school meals, institutional feeding and Purchase for Progress (P4P) activities that foster recovery and reconciliation, along with seasonal relief activities targeting severely food-insecure residents and internally displaced person (IDPs); activities that prevent and treat moderate acute malnutrition; and general food distribution (GFD) for refugees.

Conclusion and Recommendations of the Re-Assessment

3. Despite the establishment of the Transitional Government in April 2016, clashes erupted between government and opposition forces on 8 July bringing the Transitional Government to the brink of collapse. Civilians are affected, large numbers of people are displaced, livelihoods have been destroyed and the economy has virtually collapsed. There are continued reports of violence against civilians, including cases of gender based violence. Areas affected by conflict can no longer be clearly defined, as armed groups have fragmented and insecurity has extended into the Equatoria and Bahr el Ghazal regions.
4. The most recent Integrated Food Security and Humanitarian Phase Classification (IPC) covering the period May–July 2016 found that 4.8 million people¹ were facing “crisis” and “emergency” situations. The June 2016 Food Security and Nutrition Monitoring Survey (FSNMS) confirms the desperate situation. Overall food insecurity is at its worst since the outbreak of the conflict; food insecurity has increased by 21 percent and the number of severely food insecure has more than doubled compared to June 2015; the national prevalence of global acute malnutrition (GAM) increased to 17.9 percent from under 13 percent in July 2015, with GAM rates exceeding emergency threshold (15 percent) in 7 out of 10 states, compared to two states in 2015.
5. Factors driving the increased food insecurity and undernutrition include widespread conflict, erratic rainfall patterns affecting agriculture and pastoral livelihoods; and deteriorating economic conditions, including a steep decline in oil revenue, high inflation and limited supplies of goods. Moreover, the Bahr el Ghazal and Equatoria regions have seen the greatest increase in food insecurity signifying an expanded impact of the conflict, including to areas that have not traditionally seen direct fighting.
6. This budget revision preserves a dual-track programmatic approach with some adjustments: recognising that the geographic distinction based on conflict has now become less relevant, the EMOP will include life-saving interventions – relief distributions and nutrition – across the country, while the PRRO will continue to support refugees and to address transition and recovery objectives in more secure and stable areas through FFA, school meals and P4P activities. The distinction of activities between the two operations will help prevent potential overlaps.
7. WFP will adapt and develop new approaches to food assistance proposed during the South Sudan Substantive Dialogue in Nairobi in December 2015, including providing food assistance in a manner that is conflict-sensitive and systematically and meaningfully engaging people affected by conflict, food insecurity and malnutrition throughout the project cycle.²

¹ This excludes 305,000 people living in PoC sites and IDP camps, whose survival depends on humanitarian assistance.

² In December 2015, WFP and ECHO hosted a Substantive Dialogue on Reframing the Approach to Food Assistance in South Sudan in Nairobi, Kenya. The meeting identified priorities and opportunities for food assistance efforts in the next one to three years. Over 90 participants from the UN, donors, civil society organization, faith based groups, think

8. The 2015 inter-agency humanitarian evaluation of South Sudan report cited the mainstreaming of beneficiary considerations into WFP programmes as positive, and recognized “good examples of flexible practice”, including WFP’s capacity to scale up quickly through its Integrated Rapid Response Mechanism (IRRM) with UNICEF. It suggested that “limited risk sharing, gaps in partners’ capacity and insufficient consultation with non-governmental partners” may have contributed to the need to shift to direct WFP implementation in some areas.³
9. A country portfolio evaluation is expected to be conducted in 2016/17, security permitting, which will help build evidence for development of new multi-year strategies and operations.

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PURPOSE OF EXTENSION AND BUDGET INCREASE

10. This budget revision ensures continuation of access to food and nutrition assistance for vulnerable people directly affected by food insecurity and under-nutrition across South Sudan. It introduces additional flexibility to allow WFP to respond to acute needs as and where they arise, and also introduces increased seasonal planning and targeting, which will help contain costs.
11. Populations will be prioritized on the basis of the IPC system, supplemented by FSNMS survey data, integrated rapid needs assessments and SMART nutrition surveys. WFP has an extensive network of community-based contacts who provide regular informal updates on the shifting situation.

Unconditional Food Assistance

12. General Food Distributions (GFD) will be provided to severely food insecure populations, including those affected by conflict and seasonal food insecurity. As part of WFP’s commitment to promoting self-reliance, GFD provision may be adjusted in line with seasonal food availability where appropriate. Increased vulnerability based targeting and light conditionality will be introduced where feasible.⁴
13. If the security situation improves, additional locations and markets will likely open up as traders re-establish themselves; CBTs will expand accordingly and be used where feasibility assessments determine that markets can respond, and that gender and protection risks can be mitigated.
14. People living in PoC and IDP sites will continue to receive GFD as food and/or CBTs. Should conditions permit their return to places of origin, WFP will support their right to freedom of movement, together with other agencies, by providing them with food assistance while they are establishing livelihoods.

Nutrition

15. Building on the success of its expanded coverage, the joint WFP/UNICEF nutrition response will focus on improving the quality of nutrition interventions. Guided by IPC and FSNMS, WFP’s nutrition strategy for South Sudan also includes ensuring that all WFP activities are gender and nutrition-sensitive and contribute to national outcomes.

tanks, academia, media and both the Government and the opposition took part in discussions on: extending the reach of humanitarian assistance; safeguarding humanitarian principles; leveraging markets and expanding cash transfers.

³ Annual Evaluation Report, 2015 (WFP/EB.A/2016/7-A) and IAHE. 2015. *Report of the Inter-agency Humanitarian Evaluation (IAHE) of the Response to the Crisis in South Sudan: Final Evaluation Report*. See:

https://interagencystandingcommittee.org/system/files/26042016_final_south_sudan_iahe.pdf

⁴ Conditionality could include light community services such as garbage collection and field preparation.

16. The blanket supplementary feeding programme (BSFP) is for children 6-59 months and pregnant and lactating women to prevent wasting where GAM rates exceed 15 percent. It will be provided throughout the year, together with GFD whenever possible to ensure that the specialised nutritious foods are effective and are not shared or used as a substitute for meals.
17. The targeted supplementary feeding programme (TSFP) will treat children and pregnant and lactating women suffering from moderate acute malnutrition. Community nutrition volunteers will receive their incentives in cash, instead of food as in the current budget, enabling increased choice on managing expenditure in line with their household priorities.
18. WFP is currently developing a new HIV/TB strategy that is tailored for the humanitarian context of South Sudan. Until the new strategy is in place institutional feeding will provide year-round rations for all identified malnourished patients under treatment for TB, HIV/AIDS or kala-azar and their caretakers. Caretakers of children being treated for severe acute malnutrition with complications in stabilization centres will also receive a caretaker ration.

School Meals

19. School meals activities in the EMOP areas will be integrated into the PRRO.

Partnerships and innovation

20. Since July 2014 UNICEF and WFP have worked together through a formal strategic partnership to scale-up the nutrition response and to integrate the treatment and prevention of moderate and severe malnutrition for children and pregnant and lactating women in South Sudan. Through the joint WFP-UNICEF IRRM mechanism, and working with partners on the ground like Catholic Relief Services, Norwegian Refugee Council, Oxfam, Save the Child, and over 30 other NGOs, WFP ensures its assistance is aligned with complementary interventions and that it reaches otherwise inaccessible locations where needs are often the greatest. Under the IRRM, WFP and UNICEF have an emergency protocol that allows for either agency to implement activities when the other is unable to be present.
21. The Food Security and Livelihoods Cluster (FSL-C), co-led by WFP and FAO, is responsible for ensuring a well organised and efficient food security response in South Sudan. The FSL-C focuses on information management involving regular reporting from some seventy partners, and using data to inform programmatic decision making and advocate for resources in order to avoid gaps in coverage. In addition, the FSL-C oversees the 'Cash Working Group', led by WFP, which is responsible for establishing guidance and maintaining overall standards for market-based interventions.
22. Expanded use of SCOPE registration, including biometrics, will increase the possibility of expanding use of CBTs, enable agencies to coordinate and compare activities targeted at the same beneficiaries, reduce duplicate registrations and make more efficient use of resources.
23. The South Sudan Logistics Unit is working with a private company to develop an innovative parachute system for airdropping oil, which reduces the need for more expensive helicopter airlifts. The provision of solar-powered mills to reduce household expenditure and improve food consumption in PoC sites would provide a sustainable and more economical alternative to diesel-powered mills. WFP will ensure women have equal participation in the management and control over the use of the solar powered mills.

Gender, Protection and Accountability to Affected Populations

24. WFP's 2015-2020 gender policy, the regional implementation strategy and the RCA findings guide gender considerations for programming. An external gender audit was conducted in 2016. WFP will tailor approaches for men, women, girls and boys to address root causes of hunger and malnutrition

25. When providing lifesaving responses, protection concerns are central; WFP and CP staff actively engage with men, women, boys and girls from the affected community on the distribution modality and the design of the complaints and feedback mechanism (CFM) to ensure that a protective environment for people whose needs differ because of age, gender or other factors is attained. WFP furthermore has increased its accountability to affected populations by providing timely and accurate information on eligibility and entitlements; seeking beneficiaries' views on programme objectives and transfer modalities; strengthening the internal and cooperating partners' to implement appropriate and principled responses; and improving CFM.

Monitoring and Evaluation

26. WFP has contracted a private company for third-party process and outcome monitoring in areas where it cannot collect data directly for security or logistics reasons. Collection of data using participatory methodologies⁵ began in May 2016; it will be triangulated with other sources and analysed to measure progress, determine requirements for capacity development of partners and take corrective actions. Where possible, WFP will continue to monitor its programmes directly.

27. The country office is developing a knowledge management strategy to disseminate lessons learned from thematic reviews of nutrition, gender, protection, the IRRM and other programmes.

⁵ Participatory methodologies ensure women and other marginalized groups are free to voice their concerns and participate in decision making.

TABLE 1: BENEFICIARIES BY ACTIVITY					
Activity	2016	Increase/ Decrease 2017	Total Cumulative		
			Total	Men/boys	Women/girls
GFD	1,404,368	2,310,000	3,714,368	1,745,753	1,968,615
GFD in cash	150,000	200,000	350,000	164,500	185,500
BSFP – children under 5	295,330	476,900	772,230	362,948	409,282
BSFP – pregnant and lactating women	62,542	172,800	235,342		235,342
Community nutrition volunteers – BSFP	3,947	-	3,947	1,855	2,092
Community nutrition volunteers – TSF	3,040	-	3,040	1,429	1,611
TSFP – pregnant and lactating women	50,000	200,000	250,000	-	250,000
TSFP – children under 5	152,000	400,000	552,000	259,440	292,560
Stabilization centre caretakers	5,000	21,500	26,500	-	26,500
IFP* – inpatients	1,600	14,680	16,280	7,652	8,628
IFP* – caretakers	1,600	8,680	10,280	4,832	5,448
IFP* – outpatient	1,800	28,140	29,940	14,072	15,868
School feeding	50,000	-	50,000	23,500	26,500
TOTAL	2,181,227	3,832,700	6,013,927	2,585,980	3,427,947
Unique beneficiaries	1,653,384	3,003,000	4,656,384	2,097,42	2,558,959

TABLE 2: REVISED DAILY FOOD RATION/CBT BY ACTIVITY (g)							
	GFD	BSFP children	BSFP PLW*	TSFP children	TSFP PLW*	IFP	Care taker
Cereals	500	-	-	-	-	450	450
Pulses	50	-	-	-	-	50	50
Oil	30	-	-	-	-	-	30
Salt	5	-	-	-	-	5	5
SuperCereal Plus	-	200	200	-	200	100	-
Plumpy' Sup	-	-	-	100	-	-	-
Total	585	200	200	100	200	605	535
Cash/voucher (USD/person/day)**	0.6	-	-	-	-	-	-
Total kcal/day	2 131	787	787	510	787	2 267	1 961
% kcal from protein	12.7	16.6	16.6	11	16.6	14.9	12.6
% kcal from fat	19.9	23.2	23.2	26	23.2	11.1	20.9
No. feeding days/year	360	360	360	60	60	360	360

* Pregnant and lactating women

**The daily rate is one US dollar per person per working day.

FOOD REQUIREMENTS

Activity	Food/CBT	Current	Increase	Revised total
GFD	Food	199 539	245,527	455,066
GFD in cash (USD)	Cash	19 710 000	42,746,400	62,456,400
GFD – refugees/returnees	Food	-	-	-
BSFP – children under 5	Food	20 143	25,217	45,360
BSFP – pregnant and lactating women	Food	4 457	5,309	9,766
TSFP – children under 5	Food	1 080	2,460	3,540
TSFP – pregnant and lactating women	Food	3 477	7,893	11,370
BSFP – community nutrition volunteers	Food	152	-	152
TSFP – community nutrition volunteers	Food	117	-	117
Stabilization centre caretakers	Food	116	498	614
Institutional feeding programme – inpatient	Food	29	267	296
Institutional feeding programme – caretakers	Food	26	139	165
Institutional feeding programme – outpatient	Food	33	511	544
School feeding	Food	1 607	-	1,607
Total	Food	230 776	287,821	518,597
	Cash (USD)	19 710 000	42,746,400	62,456,400

Risk Assessment and Prioritization

28. The fragile political context combined with plummeting oil revenues and high military spending have contributed to political and economic instability, and increased criminality.
29. WFP has established a multi-layered system of risk mitigation measures to ensure the safety and security of WFP staff, assets and operations. Food assistance programmes are informed by context and protection risk analysis, and have the flexibility to adjust to economic, security, political and funding realities. Market analysis will determine whether CBT programmes must revert to in-kind food delivery. To reduce post-delivery losses, WFP is training partners in warehouse and commodity management. WFP places priority on staff safety and security. In alignment with the UN Country Specific Security Plan, potential threats are continuously monitored (e.g. armed conflict, civil unrest, crime, disease) and security advisories and standard operating procedures adapted and implemented according to the evolving context.
30. Increased insecurity along some important transport routes may result in continued reliance on air deliveries; WFP is increasing river transport where feasible to reduce costs. When necessary, WFP engages with parties to the conflict to negotiate access and safe passage to ensure delivery of humanitarian assistance.
31. Regular risk analysis is undertaken for all warehouse locations. A range of pre-emptive mitigation measures are taken in order to mitigate the risk of looting. Where risks of prepositioning are unacceptably high, and procurement and delivery of commodities are not

possible during the pre-positioning window, delivery of assistance is provided through a “just in time” approach through which commodities are air lifted or dropped to distribution points.⁶

- 32. Should the security situation in the country deteriorate further, impacting road deliveries and the annual prepositioning plan, increased use of air assets will be required. In this case, WFP will adjust the LTSH rates accordingly through a separate budget revision.
- 33. Emergency food assistance will be prioritized to populations in crisis, emergency and catastrophe categories of the IPC. Within these groups, further levels of prioritization will be drawn, based on a layering of household food security and nutrition indicators, combined with exposure to shocks and insecurity and associated disruptions in the markets.

Resources

- 34. Humanitarian needs in South Sudan continue to be very high, and, despite strong support from donors, resource mobilization will remain challenging. Donor support for the pre-positioning of food in the dry months remains crucial to ensuring regular supplies at contained cost. WFP’s resource mobilization involves advocating for timely, multi-year and flexible funding.

Security

- 35. Security conditions are worsening, including in areas that had previously been relatively stable. Insecurity and access restrictions, looting, and attacks on humanitarian workers and assets make operations difficult and risky even in areas not affected by generalized conflict. Based on lessons learned from the July crisis, WFP will revisit contingency plans and will enforce appropriate risk mitigation measures to ensure the safety and security of WFP staff, assets and operations.

Approved by:

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Executive Director, WFP

José Graziano da Silva
Director-General, FAO

Date:

Date:

⁶ Wherever possible WFP seeks to use road and river transportation options to reduce cost. Air operations are on average seven times more expensive than surface delivery (road/barge).

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
<i>Food</i>			
Cereals	210,967	55,007,369	
Pulses	21,109	12,373,965	
Oil and fats	12,627	11,642,197	
Mixed and blended food*	41,007	42,478,069	
Others	2,111	247,451	
Total food	287,821	121,749,051	
External transport		16,832,364	
Landside transport, storage and handling		359,797,043	
Other direct operational costs related to food		42,102,400	
Food and related costs			540,480,858
Cash-based transfers		42,746,400	
Related costs		7,341,693	
Cash-based transfers and related costs			50,088,093
<i>Direct operational costs</i>			590,568,951
Direct support costs (see Annex I-B)			73,028,253
Total direct project costs			663,597,203
Indirect support costs (7.0 percent) ⁷			46,451,804
TOTAL WFP COSTS			710,049,008

*SuperCereal Plus and Plumpy' Sup

⁷ The indirect support cost rate may be amended by the Board during the project.

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (USD)	
WFP staff and staff-related	
Professional staff	19,470,430
General service staff	13,823,734
Danger pay and local allowances	6,458,469
Subtotal	39,752,633
Recurring and other	9,977,817
Capital equipment	7,980,327
Security	3,725,000
Travel and transportation	11,242,476
Assessments, evaluations and monitoring	350,000
TOTAL DIRECT SUPPORT COSTS	73,028,253

CASH BASED TRANSFERS

The introduction of CBT in South Sudan is based on market functionality and on community behaviours and traditions. Building trust at the community level in relation to CBT's necessitates a slow introduction and careful management. CBT implementation in 2014 and 2015 was a combination of in-kind and vouchers. In this way beneficiary awareness was raised. In 2016, as communities have been exposed to the modality there will be an increase in the funds spent on CBT's, both in terms of the proportion of CBT value transfer as well as an increase in the beneficiary numbers. In addition, as the security situation improves, suitable locations will increase as new markets open up and traders re-establish themselves. The final delivery mechanisms will continue to be determined by the capacity of the market at the onset and how they respond as CBT's are introduced.

The ration composition under CBT includes cereals, pulses, oil and salt. Currently, the CBT transfer is equivalent to a portion of the cereal ration with the intention that cash is used to diversify the diet including fresh food products. Based on the market capacities in selected project areas, CBT will be utilized either as the only food assistance transfer mechanism or in combination with in-kind. The decision the delivery mechanism (cash and commodity or value vouchers) will be informed by market assessments and, supply chain macro and micro assessments that will be carried out prior to the expansion.

ACRONYMS USED IN THE DOCUMENT

BSFP	blanket supplementary feeding programme
FAO	Food and Agriculture Organization of the United Nations
GFD	general food distribution
IDP	internally displaced person
IPC	Integrated Food Security and Humanitarian Phase Classification
IRRM	Integrated Rapid Response Mechanism
NGO	non-governmental organization
PLW	pregnant and lactating women
PoC	protection of civilians [site]
PRRO	protracted relief and recovery operation
RCA	Resilience Context Analysis
TSFP	targeted supplementary feeding programme
UNICEF	United Nations Children's Fund