EXECUTIVE BOARD
First Regular Session
Rome, 9–10 February 2015

PROJECTS FOR EXECUTIVE BOARD APPROVAL

Agenda item 7

BUDGET INCREASES TO DEVELOPMENT ACTIVITIES – ZAMBIA COUNTRY PROGRAMME 200157

<table>
<thead>
<tr>
<th></th>
<th>Current budget</th>
<th>Increase</th>
<th>Revised budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>34,859,229</td>
<td>5,855,192</td>
<td>40,714,421</td>
</tr>
<tr>
<td>Cash and vouchers</td>
<td>3,759,346</td>
<td>0</td>
<td>3,759,346</td>
</tr>
<tr>
<td>Capacity development and augmentation</td>
<td>0</td>
<td>2,495,428</td>
<td>2,495,428</td>
</tr>
<tr>
<td>Total cost to WFP</td>
<td>48,487,888</td>
<td>9,227,924</td>
<td>57,715,812</td>
</tr>
</tbody>
</table>

For approval

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16 January 2015
ORIGINAL: ENGLISH

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NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for approval.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board’s meeting.

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Should you have any questions regarding availability of documentation for the Executive Board, please contact the Conference Servicing Unit (tel.: 066513-2645).
The Board approves the proposed budget increase of USD 9.2 million for Zambia Country Programme 200157 (WFP/EB.I/2015/7-A/2), with an extension of ten months from March 2015 to December 2015.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.
**Nature of the Increase**

1. Zambia, a lower-middle-income country, has experienced successive years of economic growth. But chronic poverty, seasonal food insecurity, 40 percent chronic malnutrition and limited access to clean water and sanitation remain prevalent in rural areas. Zambia’s school retention and completion rates are among the lowest in the region. The Gini coefficient for Zambia is 0.6, one of the highest in the world; 67 percent of people in rural areas live in poverty – four times more than in urban areas.

2. In line with the Zambia country strategy (2011–2015), WFP is implementing country programme (CP) 200157 (2011–2015) to support social protection for vulnerable households. This includes assisting the Government in its national social protection strategy and Home-Grown School Feeding (HGSF) programme.

3. CP 200157 has had three significant budget revisions. Budget revisions 2 and 3 were adjustments of landside transport, storage and handling, direct support costs and other direct operational costs. Revision 5 increased HGSF beneficiary numbers from October 2014 to February 2015 in line with the Government’s plan to reach 1 million children by the end of 2015.

4. This budget revision, effective from March to December 2015, seeks to: i) continue HGSF in order to reach 1 million children and incorporate successful elements of the Purchase for Progress (P4P) pilot into the school meals programme; ii) increase support for capacity development and augmentation in components 1 and 2; and iii) introduce support for resilience-building through the Rural Resilience Initiative (R4) in component 3. It will also support the scale-up of the social cash-transfer programme and joint United Nations and private-sector nutrition interventions in Component 2.

5. Budget revision 6 will also:
   - align CP 200157 with the Strategic Plan (2014–2017) and its results framework;
   - increase direct support costs by 3 percent from USD 6.7 million USD 6.9 million;
   - adjust the landside transport, storage and handling rate to accommodate increased handling and transport charges; and
   - increase the overall budget from USD 48.5 million to USD 57.7 million.

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1 Of the total population 42.3 percent live in extreme poverty. Zambia demographic health survey (ZDHS), 2007.
2 ZDHS, 2014.
3 According to the 2007 ZDHS, 59 percent of the population lack access to clean water.
5 The maize and pulses consumed at schools are locally grown.
6 R4 refers to disaster risk reduction, insurance, microcredit and savings.
JUSTIFICATION

Existing Project Activities

6. In line with the Strategic Plan (2014–2017), the objectives of CP 200157 are to:
   - improve human capital through food-based safety nets using in-kind food and vouchers and through school feeding and support for vulnerable groups (Strategic Objective 2);
   - enhance disaster risk management and response by increasing the Government’s capacity to reduce vulnerability to climate shocks, disasters and environmental degradation (Strategic Objective 3); and
   - expand market opportunities for smallholder farmers by leveraging local food procurement for social protection programmes (Strategic Objective 4).7

7. WFP in Zambia also supports complementary activities such as integrating nutrition into HGSF, supporting the Government and partners in implementing Scaling Up Nutrition (SUN) interventions and the establishment of a SUN business network,8 and developing smallholder farmers’ resilience through R4.

8. Zambia is a self-initiated Delivering-as-One country. CP 200157 is aligned with the United Nations Development Assistance Framework, which was developed in line with the Sixth National Development Plan.

Component 1 – School Meals Programme

9. The HGSF will be expanded in line with the Government’s goal of reaching 1 million schoolchildren by the end of 2015. The Government currently provides all cereals and covers secondary transport costs. WFP will develop the Government’s capacity to transition to a fully integrated multi-sector HGSF programme by promoting government ownership and developing a legal framework. Assessments of the programme will use the Systems Approach to Better Education Results and a cost-benefit analysis tool. The results will be used to engage partners from many sectors in the adoption of HGSF. The exit strategy will be jointly defined with the Government and covered in the next CP. Small-scale farmers will be linked to schools through multi-level consultations to define areas for improvement and support.

10. WFP has adopted nutrition-sensitive programming across Zambia along with a multiple approach to addressing undernutrition. In addition to providing nutritious meals of cereals, pulses and vegetable oil, HGSF will provide nutrition education and use school gardens to teach children about dietary diversity and nutrition.

11. WFP will work with the United Nations Children’s Fund and the United Nations Population Fund on interventions to reduce the current 40 percent level of stunting,2 maternal and newborn mortality9 and adolescent undernutrition with a view to breaking the cycle of malnutrition. Zambia is one of four countries piloting a nutrition programme based on

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7 Strategic Objective 2 – Support or restore food security and nutrition and establish or rebuild livelihoods in fragile settings and following emergencies; Strategic Objective 3 – Reduce risk and enable people, communities and countries to meet their own food and nutrition needs; Strategic Objective 4 – Reduce undernutrition and break the intergenerational cycle of hunger.

8 WFP will act as a facilitator with governments, the private sector and civil society with a view to influencing policy and implementing nutrition initiatives.

9 (ZDHS, 2014). The maternal mortality rate is 398 per 100,000 live births; the neonatal mortality rate is 24 per 1,000 live births.
current programmes addressing health and unwanted pregnancies among adolescents, which will become part of HGSF and will take into account factors contributing to vulnerability among adolescents such as HIV/AIDS. 10  Zambia’s HIV prevalence rate is 12.7 percent. 11

12. When the P4P pilot ends in 2014, elements such as linking farmers’ organizations to markets will be incorporated into HGSF. In partnership with the Food and Agriculture Organization of the United Nations (FAO) and the Ministry of Agriculture, WFP will develop a cost-effective agricultural supply chain to meet HGSF requirements. As the lead agency for aggregation centre development and post-harvest handling issues, WFP will support food quality assurance in the value chain. WFP will also support women smallholder farmers in reaching gender equality.

Component 2 – Food Security for Vulnerable Groups

13. WFP will provide the Government with policy support, advocacy, advice, technical assistance and capacity development for nutrition. 12 Nutrition-sensitive activities will be implemented in new and existing programmes.

14. With support from SUN, WFP and FAO will implement a nutrition-sensitive programme that promotes the use of local foods in complementary feeding. Increasing the availability of and access to locally appropriate foods supports local agriculture and improves nutrition during the first 1,000 days of life; co-funding is expected from FAO. Other activities implemented through the SUN business network will encourage local production of nutritious foods, some of which will help to prevent stunting.

Component 3 – Disaster Risk Management and Response

15. This component will be expanded to include resilience-building support through R4 such as system enhancement and human-resource capacity development for community-led early warning monitoring based on a national capacity index compiled in November 2014.

CONCLUSION AND RECOMMENDATIONS OF THE RE-ASSESSMENT

16. The 2014 evaluation report produced two major recommendations, which will be integrated into CP 200157 through this budget revision:

- increased focus on capacity development and technical assistance; and
- increased support for improving agricultural value chains under P4P and HGSF.

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10 As of November 2014, this project was in the design phase; it is due to commence in 2015.
12 The World Bank is completing a capacity assessment of the National Food and Nutrition Commission, which will be used to inform these interventions. Capacity-development activities include training, study visits, participation in policy-making and logistics.
PURPOSE OF EXTENSION AND BUDGET INCREASE

17. Budget revision 6, effective for 10 months from March 2015 to December 2015, proposes the following changes:

- **Component 1: School meals programme**
  - extend HGSF to reach 1 million schoolchildren;
  - increase the budget for developing government capacity to manage sustainable HGSF; and
  - incorporate successful elements of the P4P pilot into HGSF.

- **Component 2: Food security for vulnerable groups**
  - support expansion of capacity development in the Ministry of Community Development and Mother-and-Child Health;
  - scale up the social cash-transfer programme and support the selection of a financial service provider and training in the use of tablet computers for data collection and processing; and
  - support joint United Nations and private-sector work on improved nutrition.\(^{13}\)

- **Component 3: Disaster risk management and response**
  - expand disaster risk management and response to include resilience-building through R4.

18. The Zambia country office mainstreams gender in all areas of its work to ensure that the needs of men and women and boys and girls are integrated into programme design, implementation and monitoring. Monitoring tools track progress by men and women, for example in decision-making and access to resources. The country office will train its staff in gender analysis, protection and the application of gender principles. In line with P4P and gender-mainstreaming goals, WFP will continue to support women’s access to labour-saving technology, business skills, financial literacy and capacity development.

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|c|c|c|c|}
\hline
Activity & Current & & Increase & & Revised & & \\
 & Boys/men & Girls/ women & Total & Boys/men & Girls/ women & Total & Boys/ men & Girls/ women & Total \\
\hline
School feeding & 422 204 & 439 437 & 861 641 & 73 684 & 64 675 & 138 359 & 495 888 & 504 112 & 1 000 000 \\
Food security for vulnerable groups & 252 840 & 271 160 & 524 000 & – & – & – & 252 840 & 271 160 & 524 000 \\
\hline
TOTAL & 675 044 & 710 597 & 1 385 641 & 73 684 & 64 675 & 138 359 & 748 728 & 775 272 & 1 524 000 \\
\hline
\end{tabular}
\caption{Beneficiaries by Activity}
\end{table}

\(^{13}\) These include the 1,000 Most Critical Days Framework, the National Food and Nutrition Strategic Plan, and the National Social Protection Policy. WFP also hosts the Secretariat of the United Nations Technical Working Group on Nutrition.
TABLE 2: REVISED DAILY FOOD RATION (g/person/day)

<table>
<thead>
<tr>
<th>Component 1 – School Feeding</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals</td>
<td>120</td>
</tr>
<tr>
<td>Pulses</td>
<td>20</td>
</tr>
<tr>
<td>Vegetable oil</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>150</strong></td>
</tr>
<tr>
<td>Kcal/day</td>
<td>150</td>
</tr>
<tr>
<td>% kcal from protein</td>
<td>11.1</td>
</tr>
<tr>
<td>% kcal from fat</td>
<td>23.5</td>
</tr>
<tr>
<td>No. of feeding days</td>
<td>22 days per month for 9 months in the school year</td>
</tr>
</tbody>
</table>

FOOD REQUIREMENTS

19. This budget revision reflects additional requirements for HGSF to assist additional beneficiaries. All cereals are provided by the Government as part of its in-kind contribution to the programme; the Government will transport 40 percent of the cereals directly to schools. The country office’s procurement strategy for pulses involves local procurement whenever possible, building on P4P. The country office will also seek opportunities to procure fortified vegetable oil locally.

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY COMPONENT

<table>
<thead>
<tr>
<th>Transfer type</th>
<th>Current</th>
<th>Increase</th>
<th>Revised total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1 Food (mt)</td>
<td>42 371</td>
<td>9 058</td>
<td>51 429</td>
</tr>
<tr>
<td>Component 2 Food (mt)</td>
<td>9 872</td>
<td>–</td>
<td>9 872</td>
</tr>
<tr>
<td>Cash and vouchers (USD)</td>
<td>2 880 000</td>
<td>–</td>
<td>2 880 000</td>
</tr>
</tbody>
</table>
## PROJECT COST BREAKDOWN

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity (mt)</th>
<th>Value (USD)</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cereals</td>
<td>5 408</td>
<td>1 243 822</td>
<td></td>
</tr>
<tr>
<td>Pulses</td>
<td>2 434</td>
<td>1 397 749</td>
<td></td>
</tr>
<tr>
<td>Oil and fats</td>
<td>1 217</td>
<td>1 277 643</td>
<td></td>
</tr>
<tr>
<td><strong>Total food</strong></td>
<td>9 058</td>
<td>3 919 215</td>
<td></td>
</tr>
<tr>
<td>External transport</td>
<td></td>
<td>210 020</td>
<td></td>
</tr>
<tr>
<td>Landside transport, storage and handling</td>
<td></td>
<td>1 096 306</td>
<td></td>
</tr>
<tr>
<td>Other direct operational costs – food</td>
<td></td>
<td>629 652</td>
<td></td>
</tr>
<tr>
<td><strong>Food and related costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capacity development and augmentation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct operational costs</td>
<td></td>
<td></td>
<td>8 350 621</td>
</tr>
<tr>
<td>Direct support costs (see Annex I-B)</td>
<td></td>
<td></td>
<td>273 608</td>
</tr>
<tr>
<td><strong>Total direct project costs</strong></td>
<td></td>
<td></td>
<td>8 624 228</td>
</tr>
<tr>
<td>Indirect support costs (7.0 percent)</td>
<td></td>
<td></td>
<td>603 696</td>
</tr>
<tr>
<td><strong>TOTAL WFP COSTS</strong></td>
<td></td>
<td></td>
<td>9 227 924</td>
</tr>
</tbody>
</table>

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1. This is a notional food basket for budgeting and approval. The contents may vary.
2. Indicative figure for information purposes. The direct support cost allotment is reviewed annually.
3. The indirect support cost rate may be amended by the Board during the project.
## ANNEX I-B

<table>
<thead>
<tr>
<th>DIRECT SUPPORT REQUIREMENTS (USD)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff and staff-related</td>
<td></td>
</tr>
<tr>
<td>Professional staff</td>
<td>173 108</td>
</tr>
<tr>
<td>Recurring and other</td>
<td>50 000</td>
</tr>
<tr>
<td>Travel and transportation</td>
<td>50 500</td>
</tr>
<tr>
<td><strong>TOTAL DIRECT SUPPORT COSTS</strong></td>
<td>273 608</td>
</tr>
</tbody>
</table>
## ANNEX II: LOGICAL FRAMEWORK

<table>
<thead>
<tr>
<th>Cross-cutting</th>
<th>Performance indicators</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| **Gender**    | Proportion of women beneficiaries in leadership positions of project management committees  
                Proportion of women in leadership positions of project management committees  
                Proportion of women project management committee members trained on modalities of food, cash, or voucher distribution | District education boards and communities continue to uphold the importance of gender equality and empowerment.  
The HGSF programme continues to receive financial support from the Government and donors. |
| **Partnership** | Proportion of project activities implemented with the engagement of complementary partners  
                Number of partner organizations that provide complementary inputs and services  
                Amount of complementary funds provided to the project by partners (including non-governmental organizations (NGOs), civil society, private sector organizations, international financial institutions and regional development banks) | Partners remain committed and have the resources to provide complementary inputs and services for the HGSF programme. |
| **Protection and accountability to affected populations** | Proportion of assisted people informed about the programme (who is included, what people will receive, where people can complain)  
                Proportion of assisted people (men) informed about the programme (who is included, what people will receive, where people can complain)  
                Proportion of assisted people (women) informed about the programme (who is included, what people will receive, where people can complain)  
                Proportion of assisted people who do not experience safety problems travelling to, from and/or at WFP programme site  
                Proportion of assisted people (men) who do not experience safety problems travelling to, from and/or at WFP programme site  
                Proportion of assisted people (women) who do not experience safety problems travelling to, from and/or at WFP programme site | The Government and WFP staff continue to uphold the importance of accountability to affected populations and the need to protect beneficiaries while implementing the HGSF programme. |
### ANNEX II: LOGICAL FRAMEWORK

<table>
<thead>
<tr>
<th>Results</th>
<th>Performance indicators</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Objective 3: Reduce risk and enable people, communities and countries to meet their own food and nutrition needs</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| **Outcome 3.1**  
Increased marketing opportunities for producers and traders of agricultural products and food at the regional, national and local levels |  
Food purchased from aggregation systems in which smallholders are participating, as % of regional, national and local purchases  
Food purchased from regional, national and local suppliers, as % of food distributed by WFP in-country |  
The Agricultural Marketing Policy supports private-sector participation in marketing. |
| **Outcome 3.2**  
Improved national capacity to reduce hunger and malnutrition |  
Hand-over strategy developed and implemented [1=not achieved; 2=partially achieved; 3=achieved]  
Percentage increase in government’s funding for hunger solution tools in national plans of action (based on local currency)  
Percentage increase in production of fortified foods including complementary foods and special nutritional products |  
There is sustained government commitment to reducing hunger and improving nutrition. |
| **Outcome 3.3**  
Risk reduction capacity of countries, communities and institutions strengthened |  
National Capacity Index (NCI): Resilience programmes NCI  
Proportion of targeted communities where there is evidence of improved capacity to manage climatic shocks and risks supported by WFP |  
Community-level disaster management structures have committee members with the capacity to coordinate and oversee implementation of resilience-building activities.  
A disaster risk management framework is in place to guide disaster risk reduction programming at the national and sub-national levels. |
| **Output 3.1**  
Increased WFP food purchase from regional, national and local markets and smallholder farmers |  
Quantity of food purchased locally from pro-smallholder aggregation systems (in mt)  
Quantity of food purchased locally through local and regional purchases (in mt)  
Number of smallholder farmers supported  
Number of farmers' organizations trained in market access and post-harvest handling skills | |
### ANNEX II: LOGICAL FRAMEWORK

<table>
<thead>
<tr>
<th>Results</th>
<th>Performance indicators</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| **Output 3.2**
Increased WFP fortified foods, complementary foods and special nutrition products purchased from local suppliers | Quantity of fortified foods, complementary foods and special nutrition products purchased from local suppliers |  |
| **Output 3.3**
National nutrition, school feeding, safety net policies and/or regulatory frameworks in place | Number of national programmes developed with WFP support – nutrition, school feeding, safety net | The Government’s commitment to addressing nutrition and hunger reduction is sustained. |
| | Number of national safety net policies that are nutrition-sensitive |  |
| | Number of technical assistance activities provided, by type |  |
| **Output 3.4**
National systems for monitoring trends in food security and nutrition strengthened | Number of food security and nutrition monitoring/surveillance reports produced with WFP support | Sentinel sites are established and fully functional. |
| | Number of government counterparts trained in collection and analysis of food and nutrition security data |  |
| **Output 3.5**
National safety nets for food security, nutrition, education, community assets and overall contribution to resilience-building supported | Number of people trained, disaggregated by sex and type of training | Partnerships between WFP and a range of stakeholders are established. |
| | Number of technical assistance activities provided, by type |  |

### Strategic Objective 4: Reduce undernutrition and break the intergenerational cycle of hunger

<table>
<thead>
<tr>
<th>Outcome 4.1</th>
<th>Enrolment: Average annual rate of change in number of children enrolled in WFP-assisted primary schools</th>
<th>There is continued government commitment and resource allocation to the school feeding programme.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Attendance rate in WFP-assisted primary schools</td>
<td>The Ministry of Education aligns HGSF programme functions and staffing.</td>
</tr>
<tr>
<td></td>
<td>Drop-out rate in WFP-assisted primary schools</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gender ratio: ratio of girls to boys enrolled in WFP-assisted primary schools</td>
<td></td>
</tr>
<tr>
<td><strong>Outcome 4.2</strong></td>
<td>National Capacity Index (NCI): school feeding NCI</td>
<td>The Government continues to fund the HGSF programme.</td>
</tr>
<tr>
<td>Ownership and capacity strengthened to reduce undernutrition and increase access to education at regional, national and community levels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Results</td>
<td>Performance indicators</td>
<td>Assumptions</td>
</tr>
<tr>
<td>---------</td>
<td>------------------------</td>
<td>-------------</td>
</tr>
</tbody>
</table>
| **Outcome 4.3**  
Reduced undernutrition, including micronutrient deficiencies among children aged 6-59 months, pregnant and lactating women, and school-aged children. | Proportion of children who consume a minimum acceptable diet  
Moderate acute malnutrition (MAM) treatment recovery rate (%)  
Proportion of eligible population who participate in programme (coverage) | Funding available and government commitment to implementing nutrition and HIV care and treatment activities in target areas. |
| **Output 4.1**  
Food, nutritional products, non-food items, cash transfers and vouchers distributed in sufficient quantity and quality and in a timely manner to targeted beneficiaries | Number of women, men, boys and girls receiving food assistance, disaggregated by activity, beneficiary category, sex, food, non-food items, cash transfers and vouchers, as % of planned  
Quantity of food assistance distributed, disaggregated by type, as % of planned  
Number of institutional sites assisted (e.g. schools, health centres), as % of planned | The country office receives adequate financial resources to support the HGSF programme.  
Farming communities grow enough food to distribute in their districts. |
| **Output 4.2**  
Policy advice and technical support provided to enhance management of food security, nutrition and school feeding | Number of technical assistance activities provided, by type | The country office receives adequate financial resources to support the HGSF programme. |
| **Output 4.3**  
Food, nutritional products, non-food items, cash transfers and vouchers distributed in sufficient quantity and quality and in a timely manner to targeted beneficiaries | Quantity of food assistance distributed, disaggregated by type, as % of planned  
Number of women, men, boys and girls receiving food assistance, disaggregated by activity, beneficiary category, sex, food, non-food items, cash transfers and vouchers, as % of planned  
Total value of vouchers distributed (expressed in food/cash) transferred to targeted beneficiaries, disaggregated by sex and beneficiary category, as % of planned | Country office is adequately supported financially and able to support the programme in the intervention areas. |
ANNEX III

Zambia country programme activities

The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries.
ACRONYMS USED IN THE DOCUMENT

CP country programme
FAO Food and Agriculture Organization of the United Nations
HGSF Home-Grown School Feeding
NCI National Capacity Index
P4P Purchase for Progress
R4 Rural Resilience Initiative
SUN Scaling Up Nutrition
ZDHS Zambia demographic health survey