

BUDGET INCREASE TO MALAWI PROTRACTED RELIEF AND RECOVERY OPERATION (PRRO 200460)

Food Assistance to Refugees in Malawi

Start date: 01 June 2013 **End date:** 31 May 2016

Extension/Reduction period: 12 months **New end date:** 31 May 2017

Total revised number of beneficiaries	87 050		
Duration of entire project	36 months		
Extension/Reduction period	12 months		
Gender marker code	2A		
WFP food tonnage	18 264		
Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	US\$ 5 973 876	US\$ 4 137 542	US\$ 10 111 417
Cash and Vouchers and Related Costs	US\$ 1 619 204	US\$ 3 326 202	US\$ 4 945 405
Capacity Development & Augmentation	US\$ 163 000	-	US\$ 163 000
DSC	US\$ 824 855	US\$ 678 400	US\$ 1 503 255
ISC	US\$ 600 665	US\$ 569 950	US\$ 1 170 615
Total cost to WFP	US\$ 9 181 599	US\$ 8 712 094	US\$ 17 893 693

NATURE OF THE INCREASE

1. This fourth budget revision to Malawi Protracted Relief and Recovery Operation (PRRO) 200460 extends the project by twelve months, to 31 May 2017, in order to allow for ongoing WFP assistance to refugees in the country. It will additionally scale-up the operation to address the needs of a new influx of asylum seekers from Mozambique. As a result the total number of refugees and host community members receiving WFP assistance through this PRRO over its full life increases to 87,050.

JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

Summary of Existing Project Activities

2. Malawi has been hosting refugees for over two decades. The registered “existing” refugees are settled at Dzaleka Camp, which is located 45 km north of the capital Lilongwe. The majority of these are from the Democratic Republic of Congo (DRC), Burundi and Rwanda. According to UNHCR projections, Dzaleka Camp refugee numbers will continue to rise in the foreseeable future, reaching nearly 30,000 by December 2016.
3. Since July 2015, WFP assistance has been extended to political asylum seekers from Mozambique. Approximately, 13,000 Mozambicans have camped within border districts

particularly Mwanza and Chikwawa. The number of Mozambican asylum seekers is increasing on a daily basis and is expected to reach 30,000 people by September 2016. This influx has increased the number of refugees hosted by the country in need of support.

4. The overall goal of this PRRO is to contribute towards achieving and maintaining food security among refugees while addressing micronutrient deficiencies in children under two with special emphasis on anemia. It also aims at protecting the environment and livelihoods of the surrounding communities, focusing on food insecure households. The operation is in line with WFP's Gender Policy (2015–2020) and the Southern Africa regional gender implementation strategy.¹ It contributes to WFP's Strategic Objectives 1 and 3, the Zero Hunger Challenge and Sustainable Development Goals 2, 5 and 17.
5. This project has undergone three budget revisions since its inception. The first two budget revisions adjusted LTSH rate and the third extended the project in time from June 2015 to May 2016 and introduced cash-based transfers (CBT) from September 2015.
6. Since July 2015, food assistance has been extended to asylum seekers from Mozambique who will be hosted in Luwani Camp in Neno District. Therefore the PRRO is currently assisting two groups of refugees and asylum seekers – namely the “existing” caseload of refugees from the Great Lakes region hosted in Dzaleka Camp, Dowa District in central region and the new asylum seekers from Mozambique hosted in Luwani Camp, Neno District in southern region (see attached Map).
7. In 2013, WFP in collaboration with UN Women and UNHCR conducted a study on prevalence of sexual gender-based violence (SGBV) among the refugees in Dzaleka Camp. The study established a high correlation between incidences of SGBV, likelihood of engaging in transactional sex and vulnerability to food insecurity. In 2014-2015, the three agencies implemented a joint project to address SGBV among refugees at the camp through capacity building and awareness activities on prevention and management of SGBV cases. The outcomes of this project were increased awareness on SGBV among refugees and the identification of gaps at policy and operational level required to ensure protection of vulnerable groups in refugee camps. There are on-going discussions to extend the project to cover both Dzaleka and Luwani camps, funding permitting.

Conclusion and Recommendations of the Re-Assessment

8. This budget revision is in line with the recommendations from the Joint Assessment Mission (JAM)² conducted in Dzaleka Camp in 2014 by WFP, UNHCR, Government and other partners. The findings of the assessment showed that the majority of refugees rely on food assistance to meet their dietary needs and thus recommended that UNHCR and WFP continues to provide a full food ration to all refugees in the camp. The nutrition assessment of the JAM revealed high anemia in both children aged 6-59 months (33 percent) and pregnant women (23 percent) while stunting among children was at 33 percent. The JAM therefore recommended provision of nutritious food such as Super Cereal and Super Cereal *plus*³ to address anemia and prevent other micronutrient deficiencies. A follow-up JAM is planned for the last quarter of 2016.

¹ Building on knowledge acquired in gender mainstreaming under the joint WFP and Institute of Development Studies learning initiative.

² The JAM included a Food and Nutrition security assessment conducted at household level and reviewed WFP's package of assistance including suitability and relevance to establish current needs and the future scope of WFP assistance to refugees in Malawi.

³ Super Cereal *plus* for children aged 6-23 months and Super Cereal for other household members.

9. The cash-based transfer component was informed by a 2014 feasibility study that included a market assessment and various sectoral capacity assessments. The feasibility study recommended the use of cash for cereals, vegetable oil and pulses, given their availability throughout the year. The markets in the surrounding two districts (Dowa and Nchisi as well as Lilongwe)⁴ are also able to meet the demand of the target population. The assessment recommended maintaining in-kind food assistance for specialized commodities such as Super Cereal and Super Cereal *Plus*, given that these commodities are not readily available on the local market.
10. Refugees at Dzaleka Camp continue to lack viable alternative livelihood options in view of the Government's encampment policy and lack of access to formal employment/business opportunities. WFP food assistance therefore remains the single most reliable source of livelihood for the time being and foreseeable future.
11. Since July 2015, Malawi has been receiving political asylum seekers across its porous borders from Mozambique, allegedly fleeing conflict mainly from the country's western Tete province. While the numbers of asylum seekers remained stable between August and November 2015, in December 2015 there was a sudden rise in the number of new arrivals at Kapise in Mwanza District.
12. Meanwhile, additional Mozambican asylum seekers have also started entering Malawi through other border districts including Chikwawa, Nsanje, Ntcheu and Dedza districts. To date, UNHCR has officially registered and handed ration cards to around 10,000 persons, and the registration exercise is still on-going. UNHCR and the Government have reported that an average of 250 persons are arriving on a daily basis. With such a steady and increasing influx, projections indicate that the numbers will go up to 30,000 by September 2016. This trend is expected to continue until the political tension in Mozambique is resolved. UNHCR is moving all new arrivals across all the border districts to Luwani Camp in Neno district.
13. The majority of those arriving are very poor with hardly any means to meet their basic needs. Multi-stakeholder and sectoral assessments that WFP participated in found that the vast majority of the registered asylum seekers (more than 60 percent) are boys and girls under the age of 18, including many unaccompanied and separated children, child-headed households, orphans and other vulnerable persons with specific needs. Women are estimated at 54 percent of the asylum seekers.
14. A joint WFP, UNHCR and Government rapid food security assessment mission conducted in July 2015, established that there is high food insecurity among the people of concern from Mozambique as well as the host community due to poor production and lack of income to procure food from the markets. This assessment mission recommended urgent provision of food rations that would meet their daily calorific requirements.
15. The Mozambican influx comes in addition to another new influx of new arrivals from Burundi following the recent instability as well as to the ongoing inflow from the Democratic Republic of the Congo (DRC) and Somalia that has maintained a steady flow of new refugees into Malawi's main refugee camp at Dzaleka. Currently, Dzaleka Refugee Camp has a population of about 25,000 people, of whom 47 percent are girls and women⁵, with an average of about 200 new arrivals of per month causing the expanding needs at the camp. This population is entirely dependent on external support including WFP assistance.

⁴ The refugees are hosted in Dowa district, which according to WFP's Integrated Context Analysis (ICA) is the most food secure district followed by Kasungu and Nchisi. Also the camp is at less than 1 hour drive from Lilongwe markets.

⁵ The camp has a higher percentage of men than women, as the majority are young men who fled from conflicts in the great region

16. The recent decision by the Government of Malawi to move the asylum seekers from Kapise Village in Mwanza District to ex-Luwani refugee camp in Neno District is welcome news to many partners including UNHCR, who have been calling for protection and assistance to be delivered in a more conducive environment. While in principle no decision has been made on the status of the new arrivals, the willingness of the Government to host the group in keeping with international obligations and standards is tantamount to a recognition of their need for protection.
17. The influx from Mozambique is considered as an emerging emergency with no declaration of status of the people of concern. Mozambican asylum seekers will continue to receive in-kind food transfers as they are still at temporary sites near the border. Cash-based transfers (CBT) will be implemented when the movement from the border sites to the new camp is stabilized.⁶ Meanwhile, an in-kind / CBT combination is recommended in Dzaleka Camp, based on the findings of the market assessment that was conducted in July 2015.
18. WFP has long-term agreements with two financial service providers for CBT (Airtel Money and Standard Bank). Depending on their suitability and cost-efficiency WFP will engage with one or both of them, as necessary.
19. Overall, the total PRRO will assist an estimated population of 60,000 refugees and asylum seekers hosted in the two camps. In addition, the PRRO plans to support 5,000 FFA participants (27,050 beneficiaries) from the host communities to support the re-establishment of their livelihoods and reduce environmental degradation in areas surrounding Dzaleka and Luwani camps. This caseload includes the initial plan of 2,200 FFA participants and an additional 2,800 participants in response to the increased environmental degradation around the refugee sites.

Purpose of Extension and Budget Increase

20. The purpose of this budget revision is two-fold: i) to extend the project by twelve months, to 31 May 2017, in order to allow WFP to continue to provide much needed assistance to refugees and host communities in Malawi while the situation, particularly regarding the future of asylum seekers from Mozambique, becomes clearer; and ii) to cover the additional food needs of a new influx of an estimated 30,000 asylum seekers from Mozambique.
21. This budget revision will increase food commodity, cash transfers, external transport and LTSH costs as a result of the increases in food and cash requirements needed to reach the beneficiary numbers indicated in table 1 below during the extension period.
22. There are no changes to the food basket for all project components. Both in-kind food and cash transfers will be provided through FFA activities in Dzaleka Camp (previously only the former was implemented). WFP will collaborate with UNHCR, the Government, the International Organization for Migration (IOM), UNICEF and other partners including NGOs to deliver the assistance to the asylum seekers. Nutrition education through social behavior change communication (SBCC) will be conducted by UNHCR/WFP implementing partners. During food distributions, refugees are sensitized to the importance of each commodity (including Super Cereal and Super Cereal *Plus*), issues of intra-household sharing and other prevention measures for anemia control as well as dietary diversity.

⁶ Currently, a majority of Mozambican refugees are residing at a temporary site close to the border; CBT may be provided once they are relocated to the Luwani Camp where they will be hosted and where necessary assessments may be conducted.

TABLE 1: BENEFICIARIES BY ACTIVITY									
Activity [or Component]	Current			Decrease/Increase (extension period)			Revised		
	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
Relief: Targeted food assistance during the lean season									
General Food Distribution (Food)	14,151	12,549	26,700	32,367	27,183	59,550	32,367	27,183	59,550
General Food Distribution (CBT)			-	16,066	13,484	29,550	16,066	13,484	29,550
Food for asset creation (Food) participants	1,100	1,100	2,200	1,500	1,500	3,000	1,500	1,500	3,000
Food for asset creation (CBT) participants			-	1,000	1,000	2,000	1,000	1,000	2,000
TOTAL	20,201	18,599	38,800	46,117	40,933	87,050	46,117	40,933	87,050

Totals include FFA beneficiaries estimated as the number of participants times the family size of 5.5

The number of boys/men is abnormally higher than girls/women, as the majority of refugees in Dzaleka Camp are boys/men who fled from the Great Lakes region (based on UNHCR population statistics)

* An estimated 10.5 percent represents children under two years of age. Annex 1 of the budget plan provides a detailed breakdown of beneficiaries in the two camps.

** All GFD beneficiaries at Dzaleka Camp will receive cash transfers to cover for the requirements of cereals, pulses and vegetable oil, while Super Cereal and Super Cereal *Plus* will be provided through in-kind transfers; therefore they are included under both food transfers and CBT but counted only once in the total. For Luwani/Kapise Camp, food assistance will be provided through in-kind transfers.

*** Given that this is a budget revision with extension-in-time, the Increase/Decrease columns indicate the beneficiaries to be assisted during the extended period, which is the same as the revised number of beneficiaries.

23. In Dzaleka Camp, a combination of both in-kind food and CBT will be provided to beneficiaries of both GFD and FFA activities. In and around Luwani Camp, assistance will be provided in the form of in-kind food transfers only. In both locations, specialized nutritious products will continue to be distributed in-kind to targeted groups.

TABLE 2: REVISED DAILY FOOD RATION/TRANSFER BY ACTIVITY – C&V TOOL (g/person/day)			
	General Food Distribution (GFD)	Nutrition	Food for Assets (FFA)
	Revised	Revised	Revised
Maize	450		450
Pulses	50		50
Vegetable Oil	25		
<i>Super Cereal</i>	50		
<i>Super Cereal Plus</i>		100	
Cash/voucher ⁷ (US\$/person/day)	0.276		0.276
TOTAL⁸	575	100	500
Total kcal/day*	2,164	394	1,743

⁷ The transfer value of \$ 0.276/person/day (\$8.279 per person per month) is calculated by converting the in-kind food ration of maize, pulses and oil into monetary value using the market price of those products in the local markets near the refugee camp. Food prices are affected by seasonality and the cash transfer value will be adjusted as necessary in line with changes in prevailing market prices.

⁸ A full basket of in-kind food commodities will be provided in Luwani Camp while a mix of cash and in-kind food will be provided in Dzaleka Camp.

*the cash transfer value is based on the value of the project food basket (both for GFD and FFA) and is above the minimum wage.

FOOD REQUIREMENTS

24. Maize, pulses and Super Cereal will be purchased locally or in the region including through the WFP's Global Commodity Management (GCMF) while Super Cereal *Plus* will be procured internationally, as it is not available in the region.

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY [OR COMPONENT]				
	Commodity ⁹ / Cash & voucher	Food requirements (mt) Cash/Voucher (US\$)		
		Current	Increase / Decrease	Revised total
General Food Distribution	In-kind food	10,363	5,023	15,386
General Food Distribution	Cash transfers	1,325,526	2,744,523	4,070,049
Nutrition	In-kind food	146	1,180	1,326
Food for Assets	In-kind food	396	1,155	1,551
Food for Assets	Cash transfers	-	427,534	427,534
TOTAL*	In-kind food	10,905	7,358	18,264
	Cash Transfers	1,325,526	3,172,057	4,497,583

Approved by:

Ertharin Cousin
Executive Director, WFP

Date

⁹ Please only present overall food requirement. Do not split by commodity.

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (US\$)	Value (US\$)
<i>Food Transfers</i>			
Cereals	5,295	1,482,653	
Pulses	588	411,845	
Oil and fats	294	220,187	
Mixed and blended food	1,180	798,559	
Total Food Transfers	7,358	2,913,245	
External Transport		25,881	
LTSH		865 457	
ODOC Food		332,959	
Food and Related Costs ¹⁰			4,137,542
C&V Transfers		3,172,057	
C&V Related costs		154,144	
Cash and Vouchers and Related Costs			3,326,202
Capacity Development & Augmentation			-
<i>Direct Operational Costs</i>			7,463,743
Direct support costs (see Annex I-B)			678 400
Total Direct Project Costs			8,142,143
Indirect support costs (7.0 percent) ¹¹			569,950
TOTAL WFP COSTS			8,712,094

¹¹ This is a notional food basket for budgeting and approval. The contents may vary.

¹¹ 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 *	29,400
General service staff **	125,100
Danger pay and local allowances	0
Subtotal	154,500
Recurring and Other	109,800
Capital Equipment	46,000
Security	47,000
Travel and transportation	251,100
Assessments, Evaluations and Monitoring¹	70,000
TOTAL DIRECT SUPPORT COSTS	678,400

* 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.

MAP



ACRONYMS USED IN THE DOCUMENT

CBT	CASH-BASED TRANSFERS
DRC	DEMOCRATIC REPUBLIC OF CONGO
FFA	FOOD ASSISTANCE FOR ASSETS
GFD	GENERAL FOOD DISTRIBUTION
JAM	JOINT ASSESSMENT MISSION
MVAC	MALAWI VULNERABILITY ASSESSMENT COMMITTEE
ODOC	OTHER DIRECT OPERATIONAL COSTS
PRRO	PROTRACTED RELIEF AND RECOVERY OPERATION
SGBV	SEXUAL-GENDER BASED VIOLENCE
UNHCR	THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES
WFP	WORLD FOOD PROGRAMME