Budget Revision Two (BR 02) seeks to reduce the cost of Special Operation 200845, ‘Provision of Humanitarian Air Services in Yemen’ by US$ 3,893,717 to US$ 15,548,322 in line with reductions in the number of aircraft and associated costs. This will not impact the continued provision of air transport services to the humanitarian community in Yemen during the current project period. The original budget was approved for US$ 19,442,039 for the period 1 May 2015 to 31 December 2016.
BACKGROUND:

1. One and a half years after Yemen’s political transition turned into armed conflict between Houthis and government forces, the humanitarian situation continues to deteriorate. The ongoing fighting has significantly affected the lives of the Yemeni people and that of the estimated 267,000 refugees residing in the country, a number which despite the conflict continues to increase and further stretch already scarce resources.

2. As of August 2016, 21.2 million people require humanitarian assistance. Aid organizations are prioritizing needs such as health, food and nutrition, and protection of civilians.\(^1\) The situation is most dire for the around 2.8 million internally displaced persons, who experience major difficulties in meeting their basic needs.

3. Despite the many access challenges faced by both road and sea due to continued insecurity, administrative obstacles, infrastructure loss, long waiting at checkpoints and fuel shortages, aid workers have reached affected populations with humanitarian assistance thanks to services provided by air. UNHAS’ role in the transportation of humanitarian staff and life-saving relief items has been crucial since its establishment in 2010, particularly at present given the current high-risk environment. As of the beginning of August 2016, the service has facilitated access for 50 user organizations including NGOs, UN agencies, donor organizations and diplomatic missions, enabling them to implement and monitor essential humanitarian activities.

IMPLEMENTATION TO DATE:

4. The operational fleet comprises of one 37-seat certified fixed-wing jet aircraft. All flights are performed during specific time slots given by relevant authorities. Since April 2015, UNHAS has operated regular scheduled flights from Djibouti to Sana’a three times a week. Since May 2016, when clearances were granted by the Kingdom of Saudi Arabia authorities to operate in their airspace, UNHAS has also served Amman, Jordan with regular weekly flights. This ensures a reliable link to an additional regional hub with international flight connections and where various humanitarian organizations have their regional offices and sub-offices. In order to better meet the needs of users, the flight schedule has been adjusted. Since August, the Sana’a-Amman route is operated every Monday whilst the Amman-Sana’a route is operated on Wednesdays as opposed to Tuesday flights. The service transports an average of 510 passengers and 600 kg of light humanitarian cargo monthly.

JUSTIFICATION FOR THE REVISION:

5. This budget revision to decrease the cost of the project and continue the provision of air services in order to facilitate humanitarian staff travel is deemed necessary due to the following factors:

---

\(^{1}\) OCHA, Humanitarian Bulletin Yemen, Issue 12 as of 31 May 2016
a. Non-implementation of activities planned under the previous BR

Budget Revision One planned for flights in-country to serve Aden, Hodeidah and other locations as required provided that the security situation permitted. However, it has not yet been possible to introduce air services to Hodeidah as the runway was severely damaged and is not operational following air strikes. Furthermore, the prevailing security situation has impeded UNHAS from conducting safe operations to Aden. These limitations on activities have meant that UNHAS has spent less than originally budgeted. The fuel cost has also decreased compared to prices estimated at project drafting stage. Against this backdrop, it is deemed necessary to revise budget requirements to reflect current needs.

b. Continued Demand:

7 August marked 500 days since the escalation of conflict in Yemen. Millions of Yemenis are in urgent need of humanitarian assistance. 19.3 million people require access to safe drinking water and sanitation, more than half of the population is severely food insecure and the same number – 14.1 million people – lack access to adequate healthcare. Consequentially, humanitarian activities have considerably scaled up, despite security and access challenges. Over the past year, the number of organizations using UNHAS has increased from 38 active users in September 2015 to 50 organizations as of August 2016, triggering a surge in passenger numbers. The peak in output was registered in May 2016 with a total of 677 humanitarian staff transported – compared to January and February of the same year when UNHAS enabled access for 373 and 392 passengers respectively. Security levels permitting, the demand for air transportation is expected to remain high during the remaining months of 2016.

6. In line with WFP’s Strategic Results Framework, the objectives of the Special Operation 200845 for 2016 will remain as follows:

- To provide NGOs, UN agencies, donor organizations and diplomatic missions in Yemen with safe, effective and efficient access to beneficiaries and project sites;
- To transport light cargo such as medical supplies, high energy foods, and information and communication technology equipment;
- To provide an adequate evacuation capacity for humanitarian workers.

7. The project’s KPIs have been slightly revised to better reflect foreseen performance and will include the following targets for the period starting from 1 September 2016:

- Number of Needs Assessments carried out during the 2016 project duration (target: 4);
- Number of passengers transported monthly (target: 500);
- Percentage of passenger bookings served (target: 95 percent);
- Amount of light cargo transported monthly (target: 600 kg);
- Number of organizations using the service (target: 50);
- Number of destinations served (target: 3 locations incl. the operational base);
- Response to medical and security evacuations duly requested (target: 100 percent)

---

3 This does not include unserved bookings due to flight cancellations resulting from bad weather or insecurity.
8. 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 light of the above, this budget revision for a reduction in costs for the period 1 September to 31 December 2016 with a subsequent budget decrease of US$ 3,893,717 is recommended for approval by the Chief of Staff, with the budget provided.
Annex A

UNHAS Yemen Routes as of August 2016