

BUDGET REVISION (BR) 09 TO IRAQ EMERGENCY OPERATION 200677

Emergency Operation (EMOP): “Emergency Assistance to Populations Affected by the Iraq Crisis”

Start date: 01 January 2017 **End date:** 30 June 2017

Total revised number of beneficiaries (BR duration)	2,450,000		
Duration of entire project	01 April 2014 – 30 June 2017		
Extension period	6 months		
Gender marker code	1		
WFP food tonnage	524,375		
Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	435,187,503	66,114,886	501,302,389
Cash and Vouchers and Related Costs	233,881,599	79,175,969	313,057,568
Capacity Development and Augmentation	425,000	350,000	775,000
DSC	71,322,552	5,395,942	76,718,494
ISC	51,857,166	10,572,576	62,429,742
Total Cost to WFP	792,673,820	161,609,373	954,283,193

NATURE OF THE INCREASE

1. In light of the protracted schedule of the military offensive on the Iraqi city of Mosul and its surrounding areas, as well as continued displacement in other areas, this Budget Revision (BR) 09 to EMOP 200677 seeks to:
 - Extend the project in time to June 2017 to support the urgent food needs of the displaced and vulnerable people affected by the Mosul offensive and the continued needs of those displaced previously from and affected by other conflict areas;
 - Reduce the overall planned beneficiaries by 925,000 from 3.375 million to 2.45 million people in light of increased numbers of IDPs returning home and a reconsideration of the overall number of people expected to be affected by the Mosul offensive.

2. Specifically, BR 09 will:
 - Increase food (and related costs) by USD 66,114,886;
 - Increase CBT (and related costs) by USD 79,175,969;
 - Increase Direct Support Costs (DSC) by USD 5,395,942;
 - Increase the overall project budget by a net of USD 161,609,373 to USD 954,283,193.

3. The programmatic interventions outlined in this BR align with the continued Interagency Planning for the Mosul offensive, initiated in Iraq since March 2016, further expanded in July 2016 and further refined in October 2016.

JUSTIFICATION FOR BUDGET INCREASE

Summary of Existing Project Activities

4. EMOP 200677 was initially launched on 1 April 2014 to respond to the needs of 240,000 displaced people from Anbar Governorate. It has since undergone eight BRs to address the rising and evolving needs country-wide, dictated by the impact of the conflict on civilian populations and the subsequent level of displacement. In 2016, WFP aimed to provide life-saving food assistance to 3.375 million people affected by conflict in Iraq using in-kind and CBT modalities through the GFA, Nutrition and FFA activities. The EMOP is aligned with WFP's current Strategic Objective 1: "to save lives and protect livelihoods in emergencies". It does so by: addressing the urgent food needs of vulnerable women, men, girls and boys; assisting communities to strengthen their coping mechanisms; and safeguarding the food security of the most vulnerable groups.
5. The operation is complemented by Special Operation (SO) 200746 "Logistics Cluster and Emergency Telecommunications Support in Iraq" supporting WFP's role as the designated lead agency for the Logistics and Emergency Telecommunications Clusters, providing vital logistic and emergency telecommunications services to the humanitarian community in Iraq.

Conclusion and Recommendations of the Re-Assessment

6. More than two years after Islamic State of Iraq and the Levant (ISIL) attacked and occupied 40% of Iraqi territory, the conflict in Iraq is still ongoing. Many areas continue to experience increased humanitarian needs due to displacement, the loss of livelihoods as a result of oppressive occupation and the consequential interruption of basic services. An operation to retake Mosul, Iraq's second largest city, has been launched by the Iraqi Security Forces (ISF). As a lesson learned from the liberation of Fallujah in mid-2016, it is critical to underscore the fluidity and unpredictability of the situation at this stage. Estimates of the current population in Mosul continue to vary and this accordingly limits the extent to which vulnerable populations can be precisely quantified as well as which operational modalities may be available to reach them at a given time. Large displacements forecasted in July for the offensive in the corridor south of Mosul have so far been much smaller than expected.
7. The conclusions and recommendations, and moreover the justification as outlined in BR 08 approved on 21 September 2016, and its preceding revisions, remain largely valid, except for the timing and scale of the displacement resulting from the offensive along the Mosul corridor and the final battle for Mosul city. The expectation is that fewer individuals will require assistance. In addition, in other areas of the country, larger numbers of IDPs are returning home, thereby reducing the overall number that require immediate response rations (IRR) and family food rations (FFR). WFP is therefore adopting a flexible approach in its response and anticipates that, based on interagency estimates, one million people fleeing and/or trapped inside the city of Mosul will require food assistance.
8. Despite the decrease in overall planning figures for the Mosul offensive, those affected will remain highly vulnerable. Traditional trade routes to major urban areas like Mosul have been disrupted, and affected communities largely face difficulties in maintaining local food production as a result of the destruction of farmland, a lack of basic necessities, and displacement of farmers.¹ This is also confirmed by WFP's recent Post Distribution Monitoring, which

¹ REACH Initiative Key Findings Overview for the HNO 2017, July 2016.

highlighted that hard-to-reach areas showed the greatest reliance on the more extreme ‘crisis’ and ‘emergency’ level coping strategies.²

9. Some IDPs in camps or in the host communities may opt to return back to their villages/areas as soon as they are liberated and declared cleared and safe by the Government, particularly in Salah Al Din and Anbar Governorates. Under appropriate circumstances, WFP will explore small scale resilience activities (already planned under BR 06 but never operationalized due to the uncertainty of the security situation) through Food Assistance for Assets (FFA) activities. Meanwhile, food accessibility in most liberated areas is severely constrained due to absence of functioning markets, totally ruined and impassable roads, and destroyed agricultural land as a result of the conflict, and in some severe cases due to the use of chemical weapons. Accordingly, WFP plans to provide FFRs to IDPs who voluntarily return to their homes for a maximum of three months in instances where the Public Distribution System (PDS) is not functioning. In addition, those affected who stayed in their homes during conflict and who are not receiving PDS support will be provided assistance. WFP is developing a targeted food assistance strategy for those returnees who have limited or no viable options for accessing food due to loss of savings, assets and livelihoods. The scope and scale of such assistance will be articulated in a subsequent budget revision.

Purpose of Budget Increase

10. The proposed reduction in number of beneficiaries decreases the overall number of people receiving food assistance from 3.375 million to 2.45 million until June 2017. The total number of beneficiaries to increase and/or decrease will include:
 - 2.435 million displaced and transient individuals receiving IRRs at each instance of displacement; as well as regular monthly FFRs;
 - Individuals receiving regular monthly CBTs, by means of a gradual scale up to one million until June 2017 where CBTs are feasible.
11. *IRRs*: Families on the move arriving in transit centres, camps, and informal settlements will receive an initial three-day IRR through the Rapid Response Mechanism (RRM). The IRRs consist of portable, ready-to-eat food, which contains enough nutrients to feed a family of five for three days at over 1,000 kcal per person per day. Additional rounds of IRRs will be distributed to families who experience multiple episodes of displacement, for example, families that are moved through numerous transit centres and have few options for cooking facilities and men who are spending prolonged times in screening centres.
12. *FFRs*: Families experiencing protracted displacement in camps and settlements will be transitioned from IRR to the monthly FFRs. In addition, IDPs who opt to voluntarily return immediately to their liberated areas/villages will also receive FFR for a duration determined on a case-by-case basis. The FFRs consist of basic food essentials, and are nutritionally designed to provide a family of five with 80 percent of their daily intake requirements for one month, at around 1,800 kcal per person per day.³
13. *CBTs*: Under appropriate circumstances, CBTs can be provided either through WFP’s corporate SCOPE card, or if the service is available, through mobile companies operating mobile money. In light of the expected displacement patterns, CBT activities will also focus on IDPs who are

² WFP Post Distribution Monitoring Report – March-May 2016, July 2016

³ 10.4% of the 1800 kcal ration is protein, 17.1% is fat. The ration includes wheat flour, rice, lentils, vegetable oil, sugar salt and bulgur wheat. As per the procurement guidelines, wheat flour, vegetable oil and salt are fortified with protein and micronutrient.

fleeing Mosul and surrounding areas and are displaced in urban centres with functioning markets. In the first half of 2017, WFP envisages a moderate increase in the planned number of people receiving assistance through cash transfers or vouchers to reach 1 million people. Depending on how the situation unfolds in Mosul, WFP may consider further use of the CBT modality. The selection of the most appropriate transfer modality will depend on the situation on the ground and the fulfillment of key indicators (market analysis, access, security, cash liquidity, etc.) for the implementation of a CBT programme.

14. *Infant and Young Child Feeding (IYCF)*: Following further discussion with UNICEF and the national Nutrition Research Institute, WFP has revised its nutrition intervention and now aims to provide 150,000 children under the age of 5 displaced from Mosul city with ready-to-use supplementary foods emergency nutritional supplements (plumpy sup). The intervention is in order to protect these vulnerable groups from malnutrition, particularly in the case that those fleeing Mosul are expected to be in a poor nutritional state. Blanket provision of plumpy sup for one month will be distributed to children under 5 years as part of the monthly FFR, and will be coordinated with UNICEF's provision of High Energy Biscuits to ensure adequate nutritional coverage during the first month of displacement. Expansion of the intervention to subsequent months will be decided on information from assessments on the nutritional status of children and PLWs displaced from Mosul.

Activity	Modality	Current (BR8)			Beneficiaries planned during extension period			Revised Total (Highest planned during the whole operation)		
		Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
GFA	Food transfer (FFR)	1,211,850	1,223,150	2,435,000	863,474	871,526	1,735,000	1,211,850	1,223,150	2,435,000
GFA	CBT (Voucher)	223,600	206,400	430,000	76,950	73,050	150,000	223,600	206,400	430,000
GFA	CBT (Cash)	210,750	224,250	435,000	433,500	416,500	850,000	433,500	416,500	850,000
RRM	Food transfer (IRR)	799,050	775,950	1,575,000	507,333	492,667	1,000,000	799,050	775,950	1,575,000
Nutrition (IYCF)	Food transfer	84,150	80,850	165,000	84,150	80,850	165,000	84,150	80,850	165,000
FFA	CBT (Cash)	36,000	39,000	75,000	36,000	39,000	75,000	36,000	39,000	75,000
TOTAL *		1,721,250	1,653,750	3,375,000	1,249,500	1,200,500	2,450,000	1,721,250	1,653,750	3,375,000

Note: * Total beneficiary numbers exclude overlaps. Beneficiaries under General Food Assistance (GFA) shift from in kind to CBT. The revised overall number of beneficiaries remain unchanged.

Logistics Arrangements:

15. The Logistics Cluster (led by WFP) provides logistics information management, logistics mapping and temporary storage and emergency transport, as available, to all humanitarian partners working in the Iraq crisis. In conflict-affected areas, WFP has established an informal network with its Cooperating Partners (CP) and commercial transporters to negotiate and secure safe passage along insecure corridors. This network is especially useful to respond rapidly and discretely into areas experiencing conflict, or where IDPs are on the move. In addition, the cluster

TABLE 2: REVISED DAILY FOOD RATION/TRANSFER BY ACTIVITY (g/person/day)

	GFA (FFR and CBT)	Complementary Ration	IRR	Nutrition ⁴	School feeding	FFA
	Revised	Revised	Revised	Revised	Revised	Revised
Wheat flour	200					200
Rice (5% broken)	100					100
Red Lentils	33					33
Vegetable oil	30					30
Horse beans	33					33
Sugar	33					33
Salt	5					5
Bulgur wheat	33					33
Canned chicken			80			
Canned beans			80			
Canned chickpeas			80			
Biscuits			107			
Dates			80			
SNF				100		
Cash/Voucher (USD/person/month)	17.09					17.09
TOTAL	467		427	100		467
<i>Total kcal/day</i>	1,841 / 1,200		1,091	520		1,841
<i>% kcal from protein</i>	10.4%		16%	10.5%		10.4%
<i>% kcal from fat</i>	17.1%		29.42%	59%		17.1%
<i>Number of feeding days per month</i>	30	-	3	30	-	30

has coordinated customs clearances processes in KRI, making it much more efficient and streamlined.

16. WFP's Logistics Unit, alongside the Logistics Cluster, have planned for the deployment of support equipment; a stock of Mobile Storage Units (MSUs) are already in country (with 40 more on order), and the Country Office is liaising with the UN Humanitarian Response Depot (HRD) for its existing stock numbers of several key items including prefab units, tented camps and other non-food items which HRD stocks for use by other Agencies. Depending upon the requirement for the establishment of 'satellite' camps in locations where accommodation and office facilities are not readily available, WFP through its International Humanitarian Partnership (IHP) can provide self-contained/self-supporting camps deployable to meet the demands.

Procurement

17. WFP currently procures food either locally (IRRs) or via Turkey (IRRs and FFRs). The increase in needs to meet the overall requirements of WFP and the commercial sector are likely to place some constraints upon the local market in particular. There are options for procurement both locally and regionally which should mitigate any strain on the food market. WFP has moved

⁴ Children will receive Specialized Nutritious Food (SNF) under the GFA intervention. The ration is listed under nutrition in this table for ease of reference and comparison.

away from procuring prepackaged commodity parcels, preferring to purchase all commodities in break-bulk. This enables greater control and flexibility over the entire supply chain. The country office can monitor specific food basket items, whereas before only the basket as a whole could be monitored to ensure that there is no pipeline break in each commodity and make necessary adjustments.

Assessments and monitoring

18. A Comprehensive Food Security and Vulnerability Analysis is currently being finalized, the first such analysis undertaken since 2007. Preliminary findings indicate that Overall 2.5 percent of the Iraqi households are food insecure with households headed by women slightly worse off than households headed by men. However, 53.2 percent of households are vulnerable to food insecurity which is characterized by a lower coping capacity: i.e., high use of livelihood coping and high economic vulnerability, which are among the major factors for the population being vulnerable to food insecurity. Perhaps most notable for the situation in Mosul is the finding that the “hard-to-reach” areas have the highest prevalence of food insecurity, followed by IDPs in compounds. The CFSVA is expected to be finalized and published in November 2016 after which WFP will engage in an advocacy campaign with authorities to employ an evidence based targeting strategy for WFP caseloads in 2017.

19. Iraq currently has a comprehensive monitoring system, covering process and outcome monitoring in all areas of the country through WFP monitors, outsourced and third party monitoring (TPM) partners. With the planned Mosul operation, M&E will expand coverage with WFP monitors from surrounding sub-offices, where WFP has access, and will increase the workload of the TPM in areas where WFP does not have physical access. A Mosul specific pre-assistance baseline (PAB) is planned to take place starting early November of the newly arriving IDPs as well as the regular post-distribution monitoring (PDM) soon after beneficiaries receive assistance. WFP also plans to expand its monitoring partnerships to enable greater triangulation of information, mitigate risk and ensure beneficiary needs are being met.

FOOD REQUIREMENTS

TABLE 3: FOOD/CASH AND VOUCHER REQUIREMENTS BY ACTIVITY				
Activity	Modality	Food requirements (mt) Cash/Voucher (USD)		
		Current	Increase	Revised
GFA	Food transfer (mt)	426,805	82,199	509,004
GFA	CBT (Cash or Voucher) (USD)	209,955,607	73,385,138	283,340,745
RRM	Food transfer (mt)	11,638	2,562	14,200
FFA	CBT (Cash) (USD)	-	3,076,923	3,076,923
Nutrition	Food transfer (mt)	676	495	1,171
TOTAL (mt)		439,119	85,256	524,375
TOTAL (USD)		209,955,607	76,462,060	286,417,667

Hazard / Risk Assessment and Preparedness Planning

20. WFP's emergency operation in Iraq is exposed to numerous different risks, necessitating proactive risk management and mitigation in line with WFP corporate policies. WFP actively engages in emergency preparedness planning and risk monitoring and analysis, at both the corporate and interagency level, in order to ensure the optimal and safe implementation of its activities.

21. The programmatic, institutional and contextual risks remain as those comprehensively identified in Budget Revision 08.

Approved by:

Ertharin Cousin
Executive Director, WFP

José Graziano da Silva
Director-General, FAO

Date:

Date:

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
<i>Food Transfers</i>			
Cereals	60,010	21,221,289	
Pulses	11,894	6,255,482	
Oil and fats	5,406	5,340,432	
Mixed and blended food	415	710,918	
Others	7,531	5,515,802	
Total Food Transfers	85,256	39,043,923	
External Transport		37,125	
LTSH		21,958,541	
ODOC Food		5,075,296	
Food and Related Costs			66,114,886
C&V Transfers		76,462,060	
C&V Related costs		2,713,909	
Cash and Vouchers and Related Costs			79,175,969
Capacity Development & Augmentation			350,000
<i>Direct Operational Costs</i>			145,640,854
Direct Support Costs (see Annex I-B)			5,395,942
Total Direct Project Costs			151,036,797
Indirect Support Costs (7%)			10,572,576
TOTAL WFP COSTS			161,609,373

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (USD)	
WFP staff and staff-related	
Professional staff	3,710,914
General service staff	2,017,414
Danger pay and local allowances	101,975
Subtotal	5,830,302
Recurring and other	-775,960
Capital equipment	10,000
Security	120,000
Travel and transportation	161,600
Assessments, evaluations and monitoring	50,000
TOTAL DIRECT SUPPORT COSTS	5,395,942

Acronyms

BR	Budget Revision
CO	Country Office
CP	Cooperating Partner
CFSVA	Comprehensive Food Security and Vulnerability Analysis
EMOP	Emergency Operation
FAO	Food and Agriculture Organization
FFA	Food assistance for assets
FFR	Family Food Ration
GFA	General Food Assistance
HNO	Humanitarian Needs Overview
IDP	Internally displaced person
IRR	Immediate Response Ration
ISF	Iraqi Security Forces
ISIL	Islamic State of Iraq and the Levant
IYCF	Infant and Young Child Feeding
KRI	Kurdistan Region of Iraq
M&E	Monitoring & Evaluation
PDM	Post-distribution monitoring
PLW	Pregnant and Lactating Women
RRM	Rapid Response Mechanism
SO	Special Operation
UN	United Nations
USD	United States Dollars
VAM	Vulnerability Assessment and Mappingq

