

BUDGET REVISION (BR) #11 TO IRAQ EMERGENCY OPERATION 200677

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

Start date: 01 January 2018 **End date:** 31 December 2018

Total revised number of beneficiaries (BR duration)	3 375 000		
Duration of entire project	01 April 2014 – 31 December 2018		
Extension period	12 months		
Gender marker code	1		
WFP food tonnage	671 773		
Cost (United States dollars)			
	Current Budget	Increase	Revised Budget
Food and Related Costs	595 590 725	44 405 985	639 996 710
Cash and Vouchers and Related Costs	336 157 909	96 279 621	432 437 530
Capacity Development and Augmentation	975 000	2 938 270	3 913 270
DSC	90 269 495	23 794 257	114 063 752
ISC	71 609 519	11 719 269	83 328 788
Total Cost to WFP	1 094 602 648	179 137 402	1 273 740 050

NATURE OF THE INCREASE

1. In light of WFP’s Integrated Road Map and the protracted military offensive to retake the Iraqi city of Mosul and its surrounding areas, continued displacement in other areas and the return of many who were formerly displaced, this Budget Revision (BR) #11 to Emergency Operation (EMOP) 200677 seeks to:

- Extend the project in time from January to December 2018 to align emergency response activities with the transitional Interim Country Strategic Plan (ICSP) developed for Iraq, and support the urgent food needs of the displaced and vulnerable people affected by the military action in Mosul and the continued needs of those displaced previously from and affected by other conflict areas;
- Increase beneficiaries receiving assistance for livelihood recovery to promote resilience building in anticipation of larger numbers of people returning to their places of origin.

2. Specifically, BR #11 will:

- Increase food (and related costs) by USD 44,405,985;
- Increase cash-based transfers (CBT) (and related costs) by USD 96,279,621;
 - Increase capacity development and augmentation by USD 2,938,270;
 - Increase direct support costs (DSC) by USD 23,794,257;
 - Increase the overall project budget by a net of USD 179,137,402 to USD 1,273,740,050.

JUSTIFICATION FOR BUDGET INCREASE

Summary of Existing Project Activities

3. 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 ten 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 a peak of 3.375 million people affected by conflict in Iraq using in-kind and CBT modalities through general food assistance (GFA), nutrition and food assistance for assets (FFA) activities. The main goals include addressing the urgent food needs of vulnerable women, men, girls and boys,¹ assisting communities to strengthen their coping mechanisms, and safeguarding the food security of the most vulnerable groups.
4. The operation is complemented by Special Operation 200746 “Logistics Cluster and Emergency Telecommunications Support in Iraq” which supports WFP’s role as the designated lead agency for the Logistics and Emergency Telecommunications Clusters (ETC), providing vital logistic and emergency telecommunications services to the humanitarian community in Iraq. Based on the new ETC 2020 strategy,² WFP is further expanding its piloting of activities in Iraq, expanding its scope of work to serve additionally affected populations. This is rooted in the principle of communication with communities: access to communications technologies can save lives, prevent further suffering and empower affected communities. WFP provides this service to camps where partners conduct targeted programmes and activities to gender-specific audiences to raise awareness of social and health issues affecting men and women separately, and with an emphasis on youth.

Background

5. Since 2014, Iraqi forces have been engaged in an offensive against insurgency by Islamic State of Iraq and the Levant (ISIL) militants. At its peak, ISIL controlled approximately 40 percent of Iraqi territory comprising heavily populated and strategic cities in Anbar, Diyala, Kirkuk, Salah Al Din and Ninewa Governorates, including the city of Mosul, Iraq’s second largest city.³ Significant gains were made by Iraqi forces during 2015 and 2016 to retake territory, with officials announcing in December 2016 that ISIL had lost 62 percent of its territory.⁴ An offensive to retake the city of Mosul commenced in the final quarter of 2016, and is projected to conclude in 2017, though related humanitarian needs will extend into 2018.
6. While the exact timeframe required to fully liberate Mosul, Tal Afar, Hawija and Anbar remains unclear, it is projected to result in widespread humanitarian needs for those displaced from their homes, as well those remaining in newly liberated or besieged areas. The United Nations expects that the military campaign to liberate these areas will extend the humanitarian crisis beyond the end of 2017, necessitating further planning to ensure a swift and effective response.
7. The conclusions and recommendations, and moreover the justification as outlined in preceding revisions, remain largely valid except for the timing and scale of the displacement and subsequent return following the retaking of Mosul city. WFP, therefore, continues to adopt a flexible approach in its response.

¹ 51 percent men and boys, 49 percent women and girls

² [https://www.etcluster.org/sites/default/files/documents/ETC2020_percent20- percent20A_percent20New_percent20Strategy_percent20for_percent20Humanitarian_percent20Connections.pdf](https://www.etcluster.org/sites/default/files/documents/ETC2020_percent20-percent20A_percent20New_percent20Strategy_percent20for_percent20Humanitarian_percent20Connections.pdf)

³ <http://www.reuters.com/article/us-mideast-crisis-iraq-islamicstate-idUSKCN0Y21MY>

⁴ http://theglobalcoalition.org/daesh_territory_dec_2016/

8. Where feasible, WFP will provide support for activities that enable a vulnerable person or family to earn an income by a dignified means and so enable them to make independent decisions of how best to meet their needs. Assessments suggest that culturally, women prefer livelihood opportunities different in nature to those preferred by men. Qualitative assessments show that both men and boys have a strong urge to regain lost confidence as providers and protectors of the family. Livelihood activities are intended to reduce aid dependence, rebuild social fabric, promote resilience, stimulate the local economy and increase access to services and basic commodities. By providing an incentive for livelihood recovery without disrupting the already fragile social value system of the communities and households, activities aim to foster social cohesion and a stable co-existence within communities. WFP will identify and address relevant livelihood opportunities for women to empower them and promote social cohesion within communities. Livelihood activities will help to reduce actual and perceived socio-ethnic inequities, potentially helping to ease tensions between socio-ethnic groups.
9. The Comprehensive Food Security and Vulnerability Analysis (CFSVA) was launched by the Government with WFP in April 2017. The findings indicate that overall 2.5 percent of Iraqi households are food insecure, with households headed by women slightly worse off than those headed by men. However, 53.2 percent of households are vulnerable to food insecurity which is characterized by high usage of livelihood coping strategies 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 internally displaced persons (IDPs) in camps. WFP will undertake initial targeting using CFSVA results in the out-of-camp context by reaching those living in informal settlements identified as food insecure (some four percent of the IDP population). WFP further plans to conduct an assessment on the impact of food insecurity on social cohesion and gender based violence (GBV). In existing assessments, a protection and gender-sensitive approach will be applied to pre-assistance baselines (PAB) and post assistance monitoring to ensure that assistance is not exacerbating any unseen stress on the households.

Purpose of Budget Increase

BR #11 extends the project by one year to provide food assistance to those affected by the Iraq crisis, with a special focus on those impacted by the Mosul operations. The approach reflects the current situation in Iraq and results of the CFSVA.

10. *General Food Assistance:* Families on the move arriving in transit centres, camps, and informal settlements will receive an initial three-day immediate response ration (IRR) through the Rapid Response Mechanism (RRM). The IRRs consist of portable, ready-to-eat foods, which are sufficient 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, such as families that are moved through numerous transit centres and have few options for cooking facilities and men who are spending prolonged time in screening centres. As a joint response with the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF), IRR distribution with the provision of hygiene kits and water will act as an entry point for GBV interventions by UNFPA. This is in line with the Iraqi context and new WFP guidelines on mainstreaming GBV into WFP interventions. WFP is actively engaged with several taskforces related to GBV, including the prevention to sexual exploitation and abuse taskforce, the GBV sub cluster, the taskforce on conflict-related sexual violence and the technical taskforce on children and armed conflict, which provide feedback to the programme on trends and patterns which can impact WFP's response in the field.
11. Under appropriate circumstances, CBT is provided either through WFP's corporate digital beneficiary and transfer-management platform (SCOPE) in the form of cash or e-vouchers, or, if

the service is available, through mobile companies operating mobile money. This includes pilot activities of multi-purpose cash assistance (MPCA) or multi-wallet solutions to meet the basic needs of over 107,000 people in Western Mosul across multiple sectors.

12. The selection of the most appropriate transfer modality will depend on the situation on the ground and the fulfilment of key indicators (market analysis, access, security, cash liquidity, gender and protection analysis, etc.) for the implementation of a CBT modality.
13. Through WFP's vulnerability analysis and mapping (VAM) capacity and in coordination with the Food Security Cluster, regular food security assessments will continue to guide WFP's intervention in camps as WFP moves its focus towards an expanded portfolio of resilience building and livelihoods support in 2018. In parallel with a focus on recovery and supporting resilience building, it is expected that approximately 60 percent of IDPs currently receiving emergency food assistance will be graduating from the monthly food assistance. In-kind assistance will be limited to IDPs in camps with no or limited access to markets. This shift will enable WFP to scale-up the roll out of SCOPE in more remote camps, introducing a more efficient and coordinated platform for the provision of humanitarian assistance and services.
14. *Social Safety Nets*: As a complement to the above mentioned relief support, WFP will increasingly look to scale-up and improve safety nets and pro-poor growth initiatives tailored to specific needs in urban and rural areas, such as income generation support and training for women and youth who are often excluded from employment opportunities. In broad terms, social protection in Iraq presently consists of a universal Public Distribution System (PDS) providing basic food entitlements, and a set of social CBTs including the Government's Social Safety Net (SSN) which provides transfers to specific vulnerable groups including minor orphans, widowed and divorced women, the disabled, the medically sick, married students, and the elderly. Work is already underway in the Ministry of Planning and the Ministry of Labour and Social Affairs (with support of the World Bank) to streamline and digitize the SSN to ensure greater efficiency and more accurate targeting. Moreover, the forthcoming Poverty Reduction Strategy, identifies, as a priority, the need to integrate the PDS with the SSN to further improve targeting mechanisms and potentially expand the latter's coverage base.
15. In this connection, WFP is exploring possible areas of support to the Government through the SCOPE platform and application, as appropriate of blockchain technology already piloted by WFP in other countries. The aim is to make CBT faster, cheaper, and more secure. Blockchains allow any two parties to transact directly without the need for a trusted third party such as the bank. By reducing its reliance on third parties, WFP will better protect beneficiary data, reduce financial risks, and respond more rapidly in emergencies.
16. *School meals*: In cooperation with the Ministry of Education, and as developed under BR #10 WFP will continue to provide emergency school meals to up to 120,000 girls and boys as a measure to support their regular access⁵ and return to safe education to prevent a "lost generation". This activity will provide a targeted safety net to ensure vulnerable school children will have access to food while phasing households out from GFA. In 2018, WFP will explore possible areas of technical support to the Ministry of Education in their development of a national school meals programme.
17. *Nutrition* – The Public Distribution System (PDS), managed by the Ministry of Trade and established in 1990, is one of the largest public food programmes in the world. At a nominal fee of less than one dollar, some 36 million Iraqis are entitled to receive rice, wheat flour, sugar, oil,

⁵ Gender disparity in education is small, with 54 percent boys and 46 percent girls in attendance. Source: UNICEF and Government of Iraq 2016 report, *The Costs and Benefits of Education in Iraq*.

and infant formula on monthly basis. Many poor families, including IDP families, rely on the PDS ration. Although Iraq is a middle-income country and there are no alarming rates of malnutrition in the country, micronutrient deficiency has been a concern to health and nutrition experts. WFP will work with the Government to ensure that the wheat flour produced and milled in Iraq is fortified as per agreed standards and subsequently positively impact the micronutrient intake of millions of PDS beneficiaries.

TABLE 1: BENEFICIARIES BY ACTIVITY

Activity	Modality	Current (BR10)			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)	442 364	425 017	867 381	257,164	267,660	524,824	1 241 850	1 193 150	2 435 000
GFA	CBT (Voucher)	32 640	31 360	64 000	24,598	25,602	50,200	219 300	210 700	430 000
GFA	CBT (Cash)	130 560	125 440	256 000	98,932	102,408	200,800	433 500	416 500	850 000
RRM	Food transfer (IRR)	102 000	98 000	200 000	30 600	29 400	60 000	803 250	771 750	1 575 000
Basic needs	Multipurpose Cash	54 835	52 685	107 520	5 100	4 900	10 000	54 835	52 685	107 520
Nutrition (IYCF)	Food transfer	76 500	73 500	150 000	-	-	-	76 500	73 500	150 000
FFA	CBT (Cash)	36 000	39 000	75 000	76 500	73 500	150 000	76500	73 500	150,000
School Meals	In kind	61 200	58 800	120 000	61 200	58 800	120 000	61 200	58 800	120 000
TOTAL *		585 164	562 217	1 147 381	382 604	398 220	780,824	1 721 250	1 653 750	3 375 000

Note: * Total beneficiary numbers exclude overlaps. GFA beneficiaries shift from in kind to CBT. The revised overall number of beneficiaries remain unchanged.

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

	GFA (FFR and CBT)	IRR	School feeding (ration 1)	School feeding (ration 2)	FFA
	Revised	Revised	Revised*	Revised*	Revised
Wheat flour	200				200
Rice (5% broken)	100				100
Red Lentils	33				33
Vegetable oil	30				30
Dry Chickpeas	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			
Bread and Cheese			90		
Milk and Fruit				375	
SNF					
Cash/Voucher (USD/person/month)	17.09				17.09
TOTAL	467	427			467
Total kcal/day	1 841 / 1 200	1 091	256	218	1 841
% kcal from protein	10.4	16			10.4
% kcal from fat	17.1	29.42			17.1
Number of feeding days per month	30	3	12	8	30

Procurement

18. WFP currently procures food either locally (IRRs and school meals) or through Turkey (IRRs and Family Food Rations (FFRs)). There are options for procurement both locally and regionally which should mitigate any strain on the food market. WFP Iraq monitors 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.

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)	607 593	41 610	649 203
GFA	CBT (Cash or Voucher) (USD)	303 080 915	47 179 488	350 260 403
RRM	Food transfer (mt)	16 917	77	16 994
FFA	CBT (Cash) (USD)	3 076 923	36 923 077	40 000 000
Nutrition	Food transfer (mt)	1 171	-	1 171
School Feed	Food transfer (mt)	1 958	2 448	4 406
TOTAL (mt)		627 639	44 135	671 774
TOTAL (USD)		306 157 838	84 102 565	390 260 403

Hazard / Risk Assessment and Preparedness Planning

19. WFP's EMOP in Iraq is exposed to several 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.
20. In the event of a lack of funding, WFP will implement programme criticality and targeting measures, prioritizing immediate life-saving assistance for the most vulnerable populations by focusing on the most vulnerable camps. In order to prevent funding shortfalls, WFP continues to strengthen its fundraising activities through regular interaction with donors both locally and internationally, advocating for early and flexible commitments to ensure a stable pipeline.
21. The programmatic, institutional and contextual risks remain as those comprehensively identified in BR #9 and BR #10.

Approved by:

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Date:

Date:

ANNEX I-A

PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
<i>Food Transfers</i>			
Cereals	29 670	9 921 374	
Pulses	5 881	6 615 675	
Oil and fats	2 673	2 713 095	
Mixed and blended food	-	-	
Others	5 911	9 505 061	
Total Food Transfers	44 135	28 755 205	
External Transport		-	
LTSH		11 269 048	
ODOC Food		4 381 731	
Food and Related Costs			44 405 985
C&V Transfers		84 102 564	
C&V Related costs		12 177 056	
Cash and Vouchers and Related Costs			96 279 621
Capacity Development & Augmentation			2 938 270
<i>Direct Operational Costs</i>			143 623 876
Direct Support Costs (see Annex I-B)			23 794 257
Total Direct Project Costs			167 418 133
Indirect Support Costs (7%)			11 719 269
TOTAL WFP COSTS			179 137 402

ANNEX I-B

DIRECT SUPPORT REQUIREMENTS (USD)	
WFP staff and staff-related	
Professional staff	6 722 239
General service staff	5 244 251
Danger pay and local allowances	1 433 089
Subtotal	13 399 579
Recurring and other	4 251 294
Capital equipment	3 399 311
Security	331 701
Travel and transportation	2 039 779
Assessments, evaluations and monitoring	372 593
TOTAL DIRECT SUPPORT COSTS	23 794 257

Acronyms

BR	Budget Revision
CBT	cash-based transfer
CFSVA	Comprehensive Food Security and Vulnerability Analysis
DSC	Direct Support Costs
EMOP	Emergency Operation
ETC	Emergency Telecommunications Cluster
FFA	Food Assistance for Assets
FFR	Family Food Ration
GBV	Gender-Based Violence
GFA	General Food Assistance
IDP	Internally Displaced Person
IRR	Immediate Response Ration
ISIL	Islamic State of Iraq and the Levant
IYCF	Infant and Young Child Feeding
PAB	Pre-Assistance Baseline
PDS	Public Distribution System
RRM	Rapid Response Mechanism
SCOPE	WFP's corporate digital beneficiary and transfer-management platform
SSN	Social Safety Net
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VAM	Vulnerability Analysis and Mapping