

# BUDGET INCREASE TO KENYA PROTRACTED RELIEF AND RECOVERY OPERATION 200737

## Food Assistance to Refugees

Total revised number of beneficiaries	467,000		
Duration of entire project	39 months		
Extension period	April-June 2018		
Gender marker code	2A		
WFP food tonnage	<b>291,282</b>		
<b>Cost (United States dollars)</b>			
	<b>Current Budget</b>	<b>Increase</b>	<b>Revised Budget</b>
Food and Related Costs	246,955,785	504,893	247,460,678
Cash Transfers and Related Costs	37,921,800	13,242,870	51,164,670
Capacity Development & Augmentation	2,015,120	1,085,776	3,100,896
Direct Support Costs	50,300,170	0	50,300,170
Indirect Support Costs	23,603,501	1,038,348	24,641,849
<b>Total cost to WFP</b>	<b>360,796,376</b>	<b>15,871,886</b>	<b>376,668,263</b>

**Start date:** 01/04/2015 **End date:** 31/03/2018 **Extension:** 3 months **New end date:** 30/06/2018

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## NATURE OF THE INCREASE

1. This budget revision for protracted relief and recovery operation (PRRO) 200737 “Food Assistance to Refugees”<sup>1</sup> is to:
  - increase the cash transfer modality to cover a larger proportion of the general distribution;
  - adjust refugee beneficiary planning figures to reflect current population trends in the camps, disaggregated by sex and age, and in line with ongoing repatriation and relocation;
  - increase the capacity development and augmentation budget to support the Kalobeyei Integrated Social and Economic Development Programme (KISED);
  - extend the duration by three months, from 1 April to 30 June 2018, to synchronize with the Country Strategic Plan (CSP) that will start from 1 July 2018; and
  - adjust the land transport, storage and handling (LTSH) rate from USD 116.18/mt to USD 152.32/mt.
  
2. Overall, the budget revision will increase the budget by USD 16 million, from USD 361 million to USD 377 million.

<sup>1</sup> Full PRRO project document can be accessed at:  
<http://documents.wfp.org/stellent/groups/internal/documents/projects/wfp272069.pdf>

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## JUSTIFICATION FOR EXTENSION-IN-TIME AND BUDGET INCREASE

### Summary of Existing Project Activities

3. WFP has been providing food assistance to the refugees residing in Dadaab and Kakuma camps in Kenya since 1991, while also supporting host communities.
4. The objectives of the PRRO are to:
  - facilitate acceptable food consumption for refugees;
  - treat moderate acute malnutrition in children 6-59 months, pregnant and lactating women and girls (PLW/G) and other vulnerable refugees with special nutrition needs;
  - prevent and reduce the prevalence of undernutrition in children 6-23 months, PLW/G and other vulnerable refugees with special nutrition needs;
  - improve learning and access to education for girls and boys in WFP-assisted schools;
  - increase livelihood opportunities for refugees and host communities; and
  - strengthen local food value chains and markets.

### Conclusion and Recommendations of the Re-Assessment

5. Kenya's encampment policy prevents refugees from gaining wage-earning employment or participating in other forms of livelihoods outside the camps. A refugee household vulnerability assessment in Kakuma in 2016 concluded that only a small proportion (4 percent) would be able to sustain themselves without assistance.<sup>2</sup> Refugees in the Kenyan camps require continued humanitarian support, including WFP food assistance.
6. A Joint Assessment Mission is planned for late-2017; its findings and recommendations will be factored into the CSP for 2018-2022. Gender analysis will inform the design of the CSP, with population data disaggregated by sex and age. WFP Kenya will start an evaluation of the cash transfer modality in September 2017 which will include examination of gender-specific modality preferences and protection factors.
7. Through engagement with retailers, WFP connects retailers and wholesalers, bringing efficiencies to the value chain and therefore reducing the food prices for the beneficiaries. Current trader monitoring reports indicate that 65-70 percent of the retailers would be able to increase their supplies by 50 percent should the demand increase. Equally, wholesalers would have the capacity to increase supplies due to improved access to credit and well-established business relationships with suppliers.
8. The Kalobeyei Integrated Social and Economic Development Programme (KISED) is establishing an integrated settlement area in Kalobeyei where refugees and host communities can live peacefully together, have improved joint access to basic services, and develop economic ties for the development of sustainable livelihoods. This is expected to lead to increased resilience and improved quality of life for both communities and prevent secondary displacement. The programme was established in August 2016, in Turkana West sub-county, through an agreement between the office of the United Nations High Commissioner for Refugees (UNHCR) and the Government. Currently, the population of the settlement stands at 45,000 individuals (23,000 females and 22,000 males).

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<sup>2</sup> Vulnerability Study in Kakuma Camp. WFP and UNHCR, 2016. <http://www.wfp.org/content/refugee-household-vulnerability-study-kakuma-refugee-camps>

## **Purpose of Extension and Budget Increase**

### ***Cash transfer and in-kind transfer proportion adjustment***

9. Cash transfers were rolled out in Kakuma in August 2015 and Dadaab in January 2016 to replace part of the cereal ration. The cash is restricted to the purchase of food commodities from WFP's pre-selected and contracted traders.
10. WFP had initially planned for a gradual increase of cash transfer: 10 percent in 2015, 20 percent in 2016 and 30 percent in 2017 (as a proportion of the cereal ration). However, evidence from regular market monitoring and the supply chain systems show that up to 40 percent of the cereal component of the food basket can be provided as cash transfer without disturbing markets. As more donors have indicated a willingness to support cash transfer, WFP proposes to fast-track the increase of the cash transfer modality, with a corresponding reduction of the in-kind cereal. In Kalobeyei, 95 percent of the food basket will be provided through cash transfer with the remaining 5 percent as in-kind specialized nutritious foods to ensure sufficient micronutrient intake. This proportion of cash transfers will ensure sufficient purchasing power to attract traders and facilitate integration with the host community in line with the objectives of KISED. Local markets are responding well and are able to absorb the increased demand.
11. Monitoring reports indicate that the majority of refugees (both male and female) prefer having a mixed transfer modality. WFP will inform the refugees about the adjusted cash transfer entitlement through regular meetings with the food advisory committees.

### ***Refugee population planning figures adjustment***

12. This budget revision adjusts the refugee population figures to reflect changes derived from:
  - voluntary repatriation, which started in 2014 with the Tripartite Agreement for Repatriation<sup>3</sup> of Somali Refugees from Dadaab to Somalia (UNHCR estimates that around 3,000 refugees are being repatriated voluntarily to Somalia each month in 2017);
  - relocation of non-Somali refugees from Dadaab camp to Kakuma or Kalobeyei;
  - new arrivals from South Sudan to Kalobeyei settlement; and
  - verification exercises by UNHCR Dadaab, Kakuma and Kalobeyei, which resulted in a decrease in refugee numbers in all locations.
13. Overall, the adjustments will translate into a reduction of 69,000 beneficiaries (see Table 1 and 2).

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<sup>3</sup> Voluntary Repatriation of Somali Refugees from Kenya Operations Strategy 2015-2019.  
<http://www.unhcr.org/5616280b9.pdf>

Period	Dadaab	Kakuma	Kalobeyei	Total <sup>4</sup>
June	242,000	144,000	45,000	431,000
July	239,000	146,000	45,000	430,000
August	236,000	148,000	45,000	429,000
September	233,000	150,000	45,000	428,000
October	230,000	152,000	45,000	427,000
November	227,000	154,000	45,000	426,000
December	224,000	156,000	45,000	425,000
January	224,000	156,000	45,000	425,000
February	224,000	156,000	45,000	425,000
March	224,000	156,000	45,000	425,000
April	224,000	156,000	45,000	425,000
May	224,000	156,000	45,000	425,000
June	224,000	156,000	45,000	425,000

Activity	Current			Increase/Decrease			Revised		
	Men & boys	Women & girls	Total	Men & boys	Women & girls	Total	Men & boys	Women & girls	Total
Gen. distribution	254,000	246,000	500,000	-37,000	-32,000	-69,000	217,000	214,000	431,000
Prevention of malnutrition children 6–23 mth	12,000	13,000	25,000	-650	-1,150	-1,800	11,350	11,850	23,200
Prevention of malnutrition PLW	-	25,000	25,000	-	0	0	-	25,000	25,000
Treatment of MAM children 6–59 months (MAM) <sup>5</sup>	15,000	15,000	30,000	-2,500	-2,500	-5,000	12,500	12,500	25,000
Treatment of MAM PLW	-	1,000	1,000	-	-200	-200	-	800	800
Caregivers of children in SC	900	1,100	2,000	-300	3,700	3,400	600	4,800	5,400
In-patients hospital feeding	8,200	9800	18,000	20,000	18,400	38,400	28,200	28,200	56,400
PLHIV, TB and chronic diseases	700	800	1,500	300	200	500	1,000	1,000	2,000
School meals <sup>6</sup>	68,000	62,000	130,000	10,000	3,000	13,000	78,000	65,000	143,000
Food for training	1,100	500	1,600	-100	0	-100	1,000	500	1,500
Food for assets	18,000	18,000	36,000	0	0	0	18,000	18,000	36,000
<b>Total excluding overlaps</b>	<b>272,000</b>	<b>274,000</b>	<b>536,000</b>	<b>-37,000</b>	<b>-32,000</b>	<b>-69,000</b>	<b>235,000</b>	<b>232,000</b>	<b>467,000</b>

<sup>4</sup> The refugee population is estimated to be 49.6 percent female and 50.4 percent male.

<sup>5</sup> Treatment of MAM (6-59 months) estimates 8,400 beneficiaries per month, inclusive of new admissions; with treatment for four months: 25,000 in one year.

<sup>6</sup> There is an increase in the number of children attending school compared with planning figures. This revision also includes an adjustment of the school feeding days to match the government guidelines.

Activity	Dadaab			Kakuma & Kalobeyei			Total		
	Women & girls	Men & boys	Total	Women & girls	Men & boys	Total	Women & girls	Men & boys	Total
Gen. distribution <sup>7</sup>	118,000	124,000	242,000	96,000	93,000	189,000	214,000	217,000	431,000
Prevention of malnutrition children 6–23 mths	7,500	7,000	14,500	4,350	4,350	8,700	11,850	11,350	23,200
Prevention of malnutrition PLW	15,000	0	15,000	10,000	0	10,000	25,000	0	25,000
Treatment of MAM children 6–59 months (MAM) <sup>8</sup>	8,900	8,900	17,800	9,600	3,600	3,600	12,500	12,500	25,000
Treatment of MAM PLW	500	0	500	300	0	300	800	0	800
Caregivers of children in SC	2,700	300	3,000	2,100	300	2,400	4,800	600	5,400
In-patients hospital feeding	11,400	11,400	22,800	16,800	16,800	33,600	28,200	28,200	56,400
PLHIV, TB and chronic diseases <sup>9</sup>	350	350	700	650	650	1,300	1,000	1,000	2,000
School meals <sup>10</sup>	29,000	34,000	63,000	36,000	44,000	80,000	65,000	78,000	143,000
Food for training	200	500	700	300	500	800	500	1,000	1,500
Food for assets	9,000	9,000	18,000	9,000	9,000	18,000	18,000	18,000	36,000
<b>Total excluding overlaps</b>	<b>127,000</b>	<b>133,000</b>	<b>260,000</b>	<b>105,000</b>	<b>102,000</b>	<b>207,000</b>	<b>232,000</b>	<b>235,000</b>	<b>467,000</b>

### ***Increase Capacity Development and Augmentation for the Kalobeyei Integrated Social and Economic Development Programme***

14. The Kalobeyei Integrated Social and Economic Development Programme supports linkages between refugees and the host community, which face comparable food insecurity and malnutrition.<sup>11</sup> WFP plans to increase its support to KISED P in Turkana County to further increase economic opportunities for refugees and host communities. Under this revision, WFP will expand activities to:

- support communities land rehabilitation for agriculture and improve the water-use efficiency and
- increase food and nutrition security for host communities and refugees, as well as to strengthen economic resilience and well-being.

15. Specifically, WFP will support: (i) host communities to improve the water infrastructure (lining of canals) for small-scale irrigation projects to increase the area under irrigation; and (ii) refugees

<sup>7</sup> General distributions: 431,000 beneficiaries (refugees only) will receive cash transfers alongside in-kind transfers from June 2017. The refugee population will reduce slightly due to repatriation from Dadaab (see table 1).

<sup>8</sup> Treatment of MAM (6-59 months) estimated 8,400 beneficiaries per month, inclusive of new admissions; with treatment for four months: 25,000 in one year.

<sup>9</sup> Adjustments in the planning figures for beneficiaries of PLHIV, TB, PLW/G, caregivers and hospital feeding activities in this budget revision are based on a review of recent actual beneficiaries reached by these activities.

<sup>10</sup> School meals for Kalobeyei are not included in this PRRO as schools in Kalobeyei will eventually be part of the government home-grown school meals programme and are currently included in the school meals component of WFP Country Programme 200680.

<sup>11</sup> The KISED P activities are in line with the UNHCR and WFP Joint Strategy for Enhancing Refugee Self-Reliance [http://documents.wfp.org/stellent/groups/public/documents/op\\_reports/wfp287733.pdf](http://documents.wfp.org/stellent/groups/public/documents/op_reports/wfp287733.pdf) . WFP is also developing a food assistance strategy for Kalobeyei settlement with expertise from the Refugees Studies Centre of the University between mid-2017 and early-2018.

by training on water-harvesting technologies and developing water-harvesting structures (e.g. sunken bends, trapezoidal bunds, water pans) for growing crops/pasture and consumption by humans and livestock. These activities will be implemented in tandem with other KISEDIP activities, which include building infrastructure and sustainable services for economic opportunities and livelihood activities.

16. Gender-based targeting for community-level participation will ensure equal opportunities for women and girls to influence decision-making over the assets. Given the relatively low participation of men in asset-creation activities in the host community, WFP will maximize the engagement of men while ensuring that the activities engage and benefit the youth. WFP will explore mechanisms for more vulnerable beneficiaries in the host population to be transferred to national social safety net systems. WFP will continue to work with relevant stakeholders to ensure project site locations are accessible, and that distances and routes to distribution sites, and distribution times do not put at risk women, girls, boys and men. WFP is supporting the county government in asset creation, including the deployment of a full-time water engineer.<sup>12</sup>

### ***Replacement of SuperCereal & vegetable oil with SuperCereal Plus***

17. This revision replaces SuperCereal with SuperCereal Plus for the prevention and treatment of acute malnutrition among PLW/G and for antiretroviral treatment and tuberculosis clients. The reasons for the change are:
  - pre-mixing of SuperCereal with vegetable oil for PLW/G at the distribution site increases the risk of contamination; and
  - SuperCereal Plus contains animal protein and has a superior nutrient content compared to SuperCereal.
18. SuperCereal Plus is packaged in 1.5 kg bags ready to distribute to beneficiaries, thereby eliminating pre-mixing time and reducing distribution time by health care workers. WFP and health partners will continue to carry out nutrition education to all beneficiaries, including male and female caretakers, as part of the prevention of nutrition activities to improve infant and young child feeding practices.

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<sup>12</sup> This is in line with the recommendations of: (i) the Evaluation of WFP's Asset Creation Programme in Kenya's Arid and Semi-arid Areas (2009 - 2015). <http://www.wfp.org/content/evaluation-wfp%E2%80%99s-asset-creation-programme-kenya%E2%80%99s-arid-and-semi-arid-areas>; and (ii) FAO/WFP Technical Evaluation of Drought Mitigation Technologies Implemented under Food/Cash for Assets, 2016.

<b>TABLE 4: REVISED DAILY FOOD RATION/TRANSFER BY ACTIVITY (g/person/day)</b>											
	General distribution	Prevention of malnutrition		Treatment of MAM		Caregivers of children in stabilization centres	In-patients hospital feeding	PLHIV, TB & chronic diseases	School meals	FFT	FFA
		6-23 months	PLW	6-59 months	PLW						
Cereals	252*	-	-	-	-	250	250	-	80**	130	345
Pulses	60	-	-	-	-	60	60	-	-	30	60
Vegetable oil	35	-	-	-	-	35	35	-	10	10	30
SuperCereal	40	-	-	-	-	150	150	-	80	-	-
SuperCereal Plus	-	200	150	-	300			150	-	-	-
Sugar	-	-	-	-	-	-	-	-	10**	-	-
Ready-to-use supplementary food	-	-	-	92	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>387</b>	<b>200</b>	<b>150</b>	<b>92</b>	<b>300</b>	<b>495</b>	<b>495</b>	<b>150</b>	<b>90</b>	<b>170</b>	<b>435</b>
<b>Total kcal/day</b>	<b>1,551***</b>	<b>787</b>	<b>591</b>	<b>500</b>	<b>1,181</b>	<b>1,989</b>	<b>1,989</b>	<b>591</b>	<b>389</b>	<b>667</b>	<b>1,733</b>
CashTransfer/ person/ day	USD 0.13	-	-	-	-	-	-	-	-	-	-
Feeding days	365	365	365	120	365	10	10	365	195	195	365

### *Extension the duration of the PRRO to align with Country Strategic Plan*

19. The PRRO currently ends on 31 March 2018. This budget revision extends the duration by three months (up to 30 June 2018) to synchronize with the CSP due to start on 1 July 2018.

### *Adjustment of the land transport, storage and handling rate*

20. The primary transport rates from the points of origin to the extended delivery points has increased by an average of 25 percent. The main reason is the increased demand for transport services for the drought response in Kenya. The fuel price has increased by 8 percent since WFP Kenya's previous transport contract that was effected between November 2016 and April 2017.

## **FOOD AND CASH-BASED TRANSFER REQUIREMENTS**

21. The additional and total food and cash transfer requirements to implement the revised PRRO activities and the extension-in-time are shown in Table 5 below:

\* In-kind cereal commodity adjusted to 60 percent (252g/p/d) as cash transfer is increased to cover 40 percent of the cereal equivalent.  
 \*\* Cereals and sugar for school meals is only for the mainstreamed Market Access - Kakuma School Feeding Project. The kilocalories (418 kcal at 40g maize grain, 40g sorghum, 10gm vegetable oil and 10g sugar) for the pilot are not reflected in overall (total) energy value for school meals in this table to avoid double counting the ration weight and energy.

\*\*\* Minimum kcal/p/d is 2,100. Cash transfer (at 40 percent of cereals) will compensate for the kcal/p/d difference through purchase of food from the local markets.

**TABLE 5: FOOD/CASH-BASED TRANSFERS REQUIREMENTS BY ACTIVITY**

Activity	Commodity/ Cash-based transfer	Food requirements (mt) Cash-based transfers (USD)		
		Current	Increase or (decrease)	Revised total
General distribution	Commodity	261,145	(6,927)	254,218
Treatment of MAM children 6–59 months	Commodity	846	70	916
Treatment of MAM PLW	Commodity	3,118	40	3,158
Prevention of malnutrition children 6 – 59 months	Commodity	1,936	199	2,135
Prevention of malnutrition PLW	Commodity	196	759	955
Caregivers of children in stabilization centres	Commodity	0	20	20
In-patients hospital feeding	Commodity	854	76	930
PLHIV, TB & chronic diseases	Commodity	142	79	221
School meals	Commodity	8,680	1,089	9,769
Food for training	Commodity	308	(63)	245
Food for assets	Commodity	17,345	1,370	18,715
<b>TOTAL</b>	Commodity	294,570	(3,287)	291,282
GD-Cash Transfers	CBT	33,120,000	14,534,000	47,654,000

### Hazard / Risk Assessment and Preparedness Planning

22. Continuing conflict and severe food insecurity in South Sudan and Somalia could trigger further influxes of refugees into Kenya. WFP and UNHCR are monitoring refugee movements into Kenya closely, assisted by information from country offices in the neighbouring countries.
23. Kenya conducted national general elections in August 2017; the process was generally peaceful but the results were contested by the opposition and on 1 September, Kenya's Supreme Court nullified the results, ordering new elections to be held within 60 days. Kenya has experienced violence in previous elections and the upcoming election could potentially result in conflicts that may disrupt WFP operations, including food deliveries to the refugee camps. WFP has participated in crisis management exercises and reviewed business continuity measures, including repositioning of food; in anticipation of the August elections, WFP distributed August rations in the month of July. Gender analysis and protection risks will continue to inform preparedness actions.

Approved by:

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David M. Beasley  
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Date

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PROJECT COST BREAKDOWN			
	Quantity (mt)	Value (USD)	Value (USD)
<i>Food Transfers</i>	-	-	
Cereals	(5,189)	(2,044,403)	
Pulses	123	76,871	
Oil and fats	(12)	(9,561)	
Mixed and blended food	2,570	2,270,831	
Others	(779)	(70,910)	
<b>Total Food Transfers</b>	<b>(3,287)</b>	<b>222,828</b>	
External Transport		<b>(536,665)</b>	
LTSH		1,819,535	
ODOC Food		(1,000,889)	
<b>Food and Related Costs <sup>13</sup></b>		<b>504,893</b>	
C&V Transfers		14,534,000	
C&V Related costs		(1,291,130)	
<b>Cash and Vouchers and Related Costs</b>		<b>13,242,870</b>	
<b>Capacity Development &amp; Augmentation</b>		<b>1,085,776</b>	
<i>Direct Operational Costs</i>			14,833,539
Direct support costs (see Annex I-B)			0.00
<b>Total Direct Project Costs</b>			<b>14,874,352</b>
Indirect support costs (7,0 percent) <sup>14</sup>			1,038,348
<b>TOTAL WFP COSTS</b>			<b>15,871,886</b>

<sup>13</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>14</sup> The indirect support cost rate may be amended by the Board during the project.



## ANNEX II - MAP



Expanded Kakuma/Kalobeyei map. "Site" is the location of Kalobeyei settlement.

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## ACRONYMS USED IN THE DOCUMENT

CT	cash transfer
FFA	food assistance for assets
FFT	food for training
GD	general distribution (food and cash transfers)
KISEDP	Kalobeyei Integrated Social and Economic Development Programme
LTSH	land transport, storage and handling
MAM	moderate acute malnutrition
mt	metric tons
PLHIV	people living with HIV/AIDS
PLW	pregnant and lactating women
PRRO	protracted relief and recovery operation
RUSF	ready-to-use supplementary food
SC	stabilization centre
TB	tuberculosis
UNHCR	Office of the United Nations High Commissioner for Refugees

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