

**PROJECT BUDGET REVISION FOR APPROVAL BY THE DEPUTY EXECUTIVE DIRECTOR**

5) To:	Division	Room	Approval and Date
Mr. Amir Abdulla Deputy Executive Director	DED	6G60	
4) Through:	Division	Room	Signature and Date
Ms. Elisabeth Rasmusson Assistant Executive Director	PG	6G72	
3) Through:	Division	Room	Signature and Date
Mr. Manoj Juneja Assistant Executive Director	RM	6G00	
2) Through:	Division	Room	Signature and Date
Ms. Valerie Guarnieri Assistant Executive Director	OS	6G62	
1) From:	Regional Bureau	Signature and Date	
Mr. Muhannad HADI Regional Director	RB Cairo		

**Yemen EMOP 201068**

Immediate, Integrated and Sustained Response to Avert Famine in Yemen

**BR No. 03**

<b>Total revised number of beneficiaries</b>	10 700 000
<b>Duration of entire project</b>	21 months (1 April 2017 – 31 December 2018)
<b>Extension / Reduction period</b>	-
<b>Gender marker code</b>	n.a.
<b>WFP food tonnage</b>	2 105 943

**Start date:** 01-April-2017      **End date:** 31-December-2018      **Extension/Reduction period:** N/A  
**New end date:** 31-December-2018

**Cost (United States dollars)**

	<b>Current Budget</b>	<b>(Decrease)</b>	<b>Revised Budget</b>
Food and Related Costs	1 485 499 657	(22 532 556)	1 462 967 100
Cash and Vouchers and Related Costs	345 562 034	-	345 562 034
Capacity Development & Augmentation	-	-	-
DSC	81 372 680	-	81 372 680
ISC	128 394 195	(1 464 616)	126 929 579
<b>Total cost to WFP</b>	<b>2 040 828 565</b>	<b>(23 997 172)</b>	<b>2 016 831 393</b>

**CHANGES TO:**

**Food Tool**

- MT  
 Commodity Value  
 External Transport  
 LTSH  
 ODOC

**C&V Tool**

- C&V Transfers  
 C&V Related Costs

- CD&A  
 DSC  
 Project duration  
 Other

**Project Rates**

- LTSH (\$/MT)  
 ODOC (\$/MT)  
 C&V Related (%)  
 DSC (%)



## **NATURE OF THE INCREASE**

1. This budget revision is to incorporate the new rate for Landside Transport Storage and Handling (LTSH), which was approved by Chief OSCL.

## **JUSTIFICATION FOR THE REVISION**

2. A lower LTSH rate resulted from transport rate of WFP contracted transporters reduced by about 40%. The reduction of transport rate mainly attributed to the following three key factors:
  - a. Depreciation of the local currency against USD – by Jan 2018 UN exchange rate was 1USD=YR 384.15, while the exchange rate was 1USD = YR 250.1 a year ago.
  - b. WFP Yemen changed the contract currency to USD, which brought stability and reduction to the transport rate.
  - c. Yemen Country Office Supply Chain Unit drastically reduced the number of days to process vendor invoices, this brought a steady flow of liquid cash to the transporters to execute the logistics operation.
3. This budget revision is to reflect the reduction in the transport rate (both primary and secondary transport leg), to incorporate the newly signed warehouse management contract and warehouse rent. The revision of the LTSH rate of the EMOP reflects a significant cost savings.


**ANNEX I-A**

<b>PROJECT COST BREAKDOWN</b>			
	<b>Quantity (mt)</b>	<b>Value (US\$)</b>	<b>Value (US\$)</b>
<i>Food Transfers</i>			
Cereals	-	-	
Pulses	-	-	
Oil and fats	-	-	
Mixed and blended food	-	-	
Others	-	-	
<b>Total Food Transfers</b>	-	-	
External Transport		-	
LTSH		(22 532 556)	
ODOC Food		-	
<b>Food and Related Costs <sup>1</sup></b>		-	<b>(22 532 556)</b>
C&V Transfers		-	
C&V Related costs		-	
<b>Cash and Vouchers and Related Costs</b>			<b>-</b>
<b>Capacity Development &amp; Augmentation</b>			<b>-</b>
<i>Direct Operational Costs</i>			(22 532 556)
Direct support costs (see Annex I-B)			-
<b>Total Direct Project Costs</b>			<b>(22 532 556)</b>
Indirect support costs (6.5 percent) <sup>2</sup>			(1 464 616)
<b>TOTAL WFP COSTS</b>			<b>(23 997 172)</b>

<sup>1</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>2</sup> The indirect support cost rate may be amended by the Board during the project.



**World Food Programme**

## ANNEX I-B

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>	
<b>WFP Staff and Staff-Related</b>	
Professional staff *	-
General service staff **	-
Danger pay and local allowances	-
<b>Subtotal</b>	<b>-</b>
<b>Recurring and Other</b>	<b>-</b>
<b>Capital Equipment</b>	<b>-</b>
<b>Security</b>	<b>-</b>
<b>Travel and transportation</b>	<b>-</b>
<b>Assessments, Evaluations and Monitoring<sup>3</sup></b>	<b>-</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>-</b>

\* 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

<sup>3</sup> 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.