

COUNTRY STRATEGIC PLAN REVISION FOR APPROVAL BY ED

Nepal Transitional Interim Country Strategic Plan, Revision 3

7) To:	Division	Room	Approval and Date
<input type="checkbox"/> Mr. David Beasley Executive Director <input type="checkbox"/> OiC	OED	6G30	
7) Released for Approval:	Division	Room	Signature and Date
Mr. Amir Abdulla Deputy Executive Director	DED	6G60	
5) Through	Division	Room	Initials and Date
Mr. Rehan Asad Chief of Staff	CS	6G36	
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	
David Kaatrud, Regional Director	RBB		

I have reviewed the revised T/I/CSP and confirm that it meets the required standard, including appropriate response to the internal review process. I recommend approval of this revision.

Changes

<u>Strategic Outcome</u>	<u>Focus Area</u>	<u>Modality</u>	<u>Activity</u>	<u>Budget</u>
<input type="checkbox"/> Addition	<input checked="" type="checkbox"/> Crisis Response	<input checked="" type="checkbox"/> Food	<input type="checkbox"/> Addition	<input checked="" type="checkbox"/> Transfer Value
<input type="checkbox"/> Revision	<input checked="" type="checkbox"/> Resilience Building	<input checked="" type="checkbox"/> CBT	<input checked="" type="checkbox"/> Revision	<input checked="" type="checkbox"/> Transfer Cost
<input type="checkbox"/> Deletion	<input checked="" type="checkbox"/> Root causes	<input checked="" type="checkbox"/> CS	<input type="checkbox"/> Deletion	<input checked="" type="checkbox"/> Implementation Cost
		<input type="checkbox"/> SD		<input checked="" type="checkbox"/> Adjusted DSC

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Gender marker code: 2a

	Current	Change	Revised
Duration	<i>1 January – 31 December 2018</i>	-	<i>1 January – 31 December 2018</i>
Beneficiaries	<i>1,025,066</i>	<i>107,636</i>	<i>1,134,958</i>
Total Cost (USD)	<i>35,155,481</i>	<i>7,590,916</i>	<i>42,746,397</i>
Transfer	<i>23,314,007</i>	<i>4,691,210</i>	<i>28,005,217</i>
Implementation	<i>7,153,456</i>	<i>805,501</i>	<i>7,958,957</i>
Adjusted direct support costs	<i>2,542,379</i>	<i>1,630,910</i>	<i>4,173,289</i>
Subtotal	<i>33,009,841</i>	<i>7,127,621</i>	<i>40,137,462</i>
Indirect support costs (6.5 percent)	<i>2,145,640</i>	<i>463,295</i>	<i>2,608,935</i>

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1. RATIONALE

1. The Nepal Transitional Interim Country Strategic Plan (T/I/CSP) was approved in June 2017 by the WFP Executive Director (ED), for a period of six months, starting January 2018. The expectation was to have a Country Strategic Plan (CSP) submitted to the June 2018 Executive Board (EB) with a start date of 1 July 2018.

2. The original timeline defined for the Strategic Review (SR) and CSP was very tight and ran into delays. Given the importance of having the SR inform the CSP, it was agreed to postpone the submission of the CSP to the November 2018 EB and the start of the CSP to January 2019.

3. All the T/I/CSP activities are a straightforward extension of projects implemented in Nepal up to end-2017 under several Operations and Trust Funds.

4. Because of this postponement, the six month T/I/CSP was extended to bridge the period up to the start of the CSP in January 2019 through budget revision (BR) 2, approved by the EB. BR 2 also increased the budget for Activity 1 '*School-aged children in food insecure and remote rural areas have sustainable access to food by 2022*' and Activity 8 '*Ensure business continuity to enable WFP to respond to a catastrophic disaster by establishing safe facilities*'. This enabled the programming of the sizeable contributions to these activities.

5. This BR 3 aims to implement budgetary adjustments for all other activities, aligning the budgets to the extended period of the T/I/CSP, notably:

- Activity 2: *Support Bhutanese refugees to maintain access to food (SO2)*
- Activity 3: *Mother and Child Health and Nutrition Programme and Rice Fortification (SO3)*
- Activity 4: *Food / Cash Assistance for Assets and Trails (SO4)*
- Activity 5: *Development of local government capacity at sub-district level (SO5)*
- Activity 6: *Development of National Disaster Response Platforms and Strengthening emergency preparedness and response capacity (SO5)*
- Activity 7: *Ensure business continuity to enable WFP to respond to a catastrophic disaster by establishing safe facilities (SO5)*

6. The implementation of budget adjustments in two tranches results from the urgency of adjusting the budgets for Activities 1 and 8, while the revised needs for the other activities were being defined for the extended period. In this BR, there are no changes in strategic orientation nor activity implementation. Changes envisaged are as follows:

7. Under Activity 2, this BR proposes a shift from food to cash distributions (CBT). The CBT modality was already envisaged in the original PRRO 200787; however, this was not included in the T/I/CSP given the original short duration of the project. Given the extension, the cash transfer modality becomes relevant as a means for WFP to transition out of this activity. The BR includes also a reduction in the number of beneficiaries, aligning the planned number to the refugees residing in the camps; finally the BR introduces a shift from 'generic vulnerable' to 'socio-economic vulnerable' refugees, thus decreasing the refugees entitled to the full ration from 27 to 15 percent.

8. Under Activity 3, there is an increase in the overall number of planned Mother and Child Nutrition (MCHN) beneficiaries in line with the extended duration of the T/I/CSP. In addition, the BR sees the introduction of blanket supplementary feeding (BSFP) for one month and Targeted Supplementary Feeding Programme (TSFP) for malnourished children 6-59 months and pregnant and lactating women (PLW/G) for six months; these are the continuation of the activities started in 2017 under EMOP 201101 'Emergency response to critically food insecure populations in severely flood affected districts of Southern Nepal'¹. The EMOP was launched to assist the Government of Nepal (GoN) in meeting emergency food and nutrition assistance to flood affected people in six districts in southern Nepal. There are no changes with respect to what was approved under the EMOP and the subsequent BRs.

9. Changes to Activities 4, 5, 6 and 7 are direct budgetary increases linked to the six month extended duration of these activities under the T/I/CSP.

2. CHANGES

Strategic orientation

10. There are no strategic changes to the T/I/CSP introduced in this revision.

Strategic Outcomes

11. There are no changes in the Strategic Outcomes planned under the originally approved T/I/CSP.

Beneficiary analysis

12. Changes in number of planned beneficiaries are detailed in Table 1.

13. Activity 2: The number of refugees continues to decrease as the result of the successful third country resettlement programme. The reduced number of refugees included in this BR is aligned to the expected number of refugees residing in the camps in July 2018 as informed by UNHCR. In addition, the percentage of vulnerable refugees entitled to the full ration is revised from 27 percent to 15 percent of the total refugee population, based on the request by UNHCR and on the UNHCR 2017 Socio-Economic Study that identifies socio-economic vulnerable refugees as opposed to the general refugee population. Socio-economic vulnerable refugees include the elderly, people with disabilities, and single mothers without other sources of social support. The vulnerable refugees identified by the Socio-Economic Study will receive priority WFP food assistance through a full ration while the other refugees will receive a reduced level of support.

14. Under Activity 3, the MCHN programme, the number of people reached is increased in line with the extended duration of the activity; in addition, this BR includes planned beneficiaries under the flood response EMOP 201101, with BSFP and TSFP for moderately acute malnourished children aged 6-59 months and PLW/G. Key activities integrated into BSFP and TSFP included training of government staff on integrated management of acute malnutrition. In addition, nutrition education counselling on infant and young child feeding has been integrated through group education sessions, as well as individual counselling, at nutrition corners established at TSFP sites.

15. There are no beneficiaries changes under Activities 1, 4, 5, 6, 7 and 8.

Transfers

16. Changes in food/CBT requirements and values are in Table 2.

17. The BR introduces CBT for Activity 2 in lieu of in-kind food distribution. This is part of the WFP phase-down and transition strategy for this refugee group. The introduction of CBT was planned in the original PRRO 200787 although not included in the original six months T/I/CSP given its short duration. Given the extended period of the T/I/CSP, the shift to CBT is re-introduced as a means to weaken the refugees dependence on food distributions and is in line with both men and women refugees' preferences and allows them the dignity of choice.

¹ Following the 2017 flood, the nutrition cluster conducted a rapid nutrition assessment which identified high malnutrition rates (GAM 24 percent) in flood affected areas. Due to the high rates of malnutrition and aggravating factors such as displacement and food insecurity (IPC 3 and 4), the nutrition cluster developed a 5-pillar of intervention plan that included BSFP to prevent malnutrition and TSFP to treat moderate acute malnutrition. A 2-pronged intervention strategy was developed by WFP where BSFP would be implemented for two months followed by a 6-months TSFP intervention. Given supply chain and implementation delays, the implementation of the two months activity was initiated in late 2017 and concluded in 2018. The BR reflects this small distribution finalized in the first weeks of 2018.

18. WFP will provide cash equivalent to the full ration (USD 13.19 per person per month) to the socio-economically vulnerable refugees. The cash will enable the purchase on the local market of either the 15 kilograms full ration, composed of a daily ration of 440 grams of rice, 90 grams of varied pulses and 25 grams of vegetable oil and equivalent of 2,100 calories per person per day, or other food items of their choice. All other refugees will receive the cash equivalent to the in-kind reduced ration of 10 kg of rice per month (USD 6.5 per person per month). The transfer value was determined on the basis of a local market assessment and the transfer amount was augmented with consideration for inflation and with the inclusion of costs of one ATM transaction or local transport from the camp to the closest ATM.

19. The CBT will be implemented using a direct bank transfer to refugee households bank accounts which the refugees opened in 2017 with the support of UNHCR. WFP will obtain the bank account number and the refugee consent form during the annual physical verification exercise. WFP already has a long-standing agreement with the financial service provider with whom the refugees have accounts while the transfer fee will be nominal (1% of transfer amount).

20. Added under Activity 3 are the BSFP and TSFP commodities as approved under the EMOP 201101 with wheat soya blend (WSB) provided for BSFP and the ready-to-use supplementary food (RUSF) provided for TSFP. Both address needs of children under five (100 gr/pp/day) and PLW/G (200 gr/pp/day) over a period of one and three months respectively.

TABLE 1: FOOD & CASH TRANSFER BENEFICIARIES BY STRATEGIC OUTCOME & ACTIVITY											
Strategic	Activity	Category of beneficiaries	Current			Increase			Revised		
			Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
Strategic Outcome 1	Activity 1: School meals/capacity strengthening	Students	115,280	120,720	236,000	-	-	-	115,280	120,720	236,000
Strategic Outcome 2	Activity 2: Maintain access to food for Refugees from Bhutan	Refugees (1)	4,291	4,466	8,757	-1,106	-1,151	-2,257	4,291	4,466	8,757
Strategic Outcome 3	Activity 3: Mother and Child Health and Nutrition Programme	PLW/G and Children	5,167	11,500	16,667	3,945	12,220	16,165	9,112	23,720	32,832
	ACT 3: TSFP Children		-	-	-	6,860	7,140	14,000	6,860	7,140	14,000
	ACT 3: BSFP PLW/G		-	-	-		15,840	15,840		15,840	15,840
	ACT 3: BSFP Children		-	-	-	28,642	27,518	56,160	28,642	27,518	56,160
	ACT 3: TSFP PLW/G		-	-	-		7,727	7,727	-	7,727	7,727
Strategic Outcome 4	Activity 4: Food / Cash Assistance for Assets	Beneficiaries	389,458	374,185	763,642	-	-	-	389,458	374,185	763,642
Strategic Outcome 5	Activities 5 to 7: Capacity Development	Local / National Gov.	-	-	-	-	-	-	-	-	-
	Activity 8	Establishing safe facilities	-	-	-	-	-	-	-	-	-
TOTAL			514,196	510,871	1,025,066	38,341	69,295	107,636	553,643	581,316	1,134,958

(1) The number of refugees planned for the extended period is 6,500 (3,185 boys/men and 3,315 women/girls). However, the total number of beneficiaries planned since the beginning of 2018 remains unchanged.

TABLE 2: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS & VALUE						
Food type / cash-based transfer	Current Budget		Increase/Decrease		Revised Budget	
	Total (mt)	Total (US\$)	Total (mt)	Total (US\$)	Total (mt)	Total (US\$)
Cereals	6,083	2,759,282	-	-	6,083	2,759,282
Pulses	1,046	719,696	-	-	1,046	719,696
Oil and Fats	469	526,922	-	-	469	526,922
Mixed and Blended Foods	300	240,000	633	506,400	933	746,400
RUFS	87	16,781	264	765,600	351	782,381
TOTAL (food)	7,985	4,262,681	897	1,272,000	8,882	5,534,682
Cash-Based Transfers (US\$)	-	5,894,955	-	298,152	-	6,193,107
TOTAL (food and CBT - US\$)	7,985	10,157,636	897	1,570,152	8,882	11,727,789

Supply chain

21. There are no changes in the supply chain plan as approved under the T/I/CSP and the Flood EMOP 201101; the increases in the supply chain budget needs are linked to the increases in commodity tonnage.

Other considerations

22. There is no change in the country office capacity and partnerships in this six month extension.

23. The changes in the monitoring and evaluation arrangements are linked to the additional six months' duration of the activity and the consequent extension of these activities over the longer period.

24. There are no additional risks with respect to what approved under the T/I/CSP.

3. COST BREAKDOWN

25. The changes in budget costs reflect the increased needs over the extended duration of the activities.

COST BREAKDOWN OF THE REVISION VALUE ONLY (US\$)						
WFP Strategic Results / SDG Targets	SR 1	SR 1	SR 2	SR 3	SR 5	Total
WFP Strategic Outcomes	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	Strategic Outcome 4	Strategic Outcome 5	
Focus Area	ROOT CAUSES	CRISIS RESPONSE	ROOT CAUSES	RESILIENCE BUILDING	RESILIENCE BUILDING	
Transfer	-	349,315	2,495,524	1,088,050	758,321	4,691,210
Implementation	-	76,310	94,875	246,300	388,016	805,501
Adjusted DSC						1,630,910
Sub-total						7,127,621
ISC (6.5%)						463,295
TOTAL						7,590,916

OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (US\$)						
WFP Strategic Results / SDG Targets	SR 1	SR 1	SR 2	SR 3	SR 5	Total
WFP Strategic Outcomes	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	Strategic Outcome 4	Strategic Outcome 5	
Focus Area	ROOT CAUSES	CRISIS RESPONSE	ROOT CAUSES	RESILIENCE BUILDING	RESILIENCE BUILDING	
Transfer	8,730,823	817,104	3,239,997	12,751,212	2,466,080	28,005,217
Implementation	947,014	157,107	200,031	1,118,290	5,536,515	7,958,957
Adjusted DSC	1,123,018	113,048	399,181	1,609,419	928,622	4,173,289
Sub-total	10,800,855	1,087,258	3,839,210	15,478,922	8,931,218	40,137,462
ISC (6.5%)	702,056	70,672	249,549	1,006,130	580,529	2,608,935
TOTAL	11,502,911	1,157,930	4,088,758	16,485,052	9,511,747	42,746,397