

COUNTRY STRATEGIC PLAN REVISION

REVISION – FOR APPROVAL

Myanmar country strategic plan, revision 3

Gender and age marker code: 2A

	Current	Change	Revised
Duration	<i>1 January 2018 – 31 December 2022</i>	<i>N/A</i>	<i>N/A</i>
Beneficiaries	2,789,200	-33,380	2,755,820
Total cost (USD)	309,350,623	27,509,378	336,860,001
Transfer	247,957,106	17,209,832	265,166,938
Implementation	26,356,425	7,037,450	33,393,875
Direct support costs	16,156,538	1,583,119	17,739,657
Subtotal	290,470,069	25,830,402	316,300,470
Indirect support costs (6.5 percent)	18,880,554	1,678,976	20,559,531

Myanmar country strategic plan, revision 3

1. RATIONALE

1. This is the first budget revision to the Myanmar CSP (2018 – 2022). The proposed changes are non-fundamental in nature, consisting of budget increases / decreases to existing Strategic Outcomes (SOs) and activities. This revision has been triggered by various factors, including changes to the operating environment in Myanmar and the faster-than-anticipated shift to cash-based transfers (CBTs). With regards to WFP's relief activities (SO 1 / Activity 1) in Rakhine State, the CSP document – which was formulated prior to the events on and following 25 August 2017 – noted that a revision to the CSP may be necessary once WFP regains access in northern Rakhine State and verifies the number of people displaced or otherwise affected (Myanmar CSP, footnote 1). The current budget revision reflects the best estimate of the current needs in Rakhine State and elsewhere.
2. The start and end dates of the CSP remain the same, from 1 January 2018 – 31 December 2022.

2. CHANGES

Strategic orientation

3. The overall strategic orientation of the CSP remains unchanged. However, some of the shifts outlined in the CSP – including the shift from food to cash as well as the move from snacks to cooked school meals – are materializing faster than planned in the CSP document, and this is captured in the budget revision. While the total food tonnage, transfer value and transfer costs have decreased, this has been more than offset through an increase in CBT transfer value and transfer costs.

Strategic outcomes

4. The paragraphs below outline the primary changes to existing SOs under this budget revision.
5. Activity 1 (SO 1): This budget revision incorporates an increased number of beneficiaries in northern and central Rakhine State compared to the planned figures in the CSP, as well as an accelerating shift to cash. Overall, total tonnage for Activity 1 will decrease slightly, while the cash component will increase significantly. Figures for Activity 1 have been revised for the period August 2018 – June 2019, as it is difficult in the current environment to estimate projected relief needs beyond mid-2019.
 - a. The budget increase for Activity 1 under this budget revision reflects an increase in planned beneficiaries. In northern Rakhine State, the CSP included a plan of providing lean season assistance to 60,000 – 70,000 beneficiaries in 2018 and 2019. As noted above, this plan was formulated prior to the events of August 2017. The revised plan includes general food distributions to 100,000 beneficiaries per month through June 2019. In central Rakhine State, where over 110,000 internally displaced persons (IDPs) live in camp settings, along with other crisis-affected populations, WFP's CSP projected a decrease in total beneficiaries to 80,000 in 2019. However, any significant reductions in needs are now not foreseen through June 2019, and as such the budget revision reflects the maintaining of the current caseload of 113,500 beneficiaries through mid-2019.

- b. The budget revision also reflects a more rapid shift from food to cash. In central Rakhine State, the initial plan of reaching 10,000 beneficiaries (out of a total of 113,500) through cash during the first half of 2019 has now been increased to 25,000 based on recent analysis on the feasibility of cash interventions in this area. The contingency plan for floods, which consisted of both food and cash, has also been converted to a fully cash-based plan. There are some shifts in the opposite direction, including the change from cash + food to only food in northern Rakhine State. However, these shifts are relatively small.
6. Activity 2 (SO 2): As part of national capacity strengthening for emergency preparedness and response (EPR), this budget revision includes a budget of US\$ 1.7 million (excluding ISC) for the construction of a logistics hub in Sittwe, Rakhine State. The hub will include modifiable storage facilities (with permanent and temporary structures), office space and a jetty for port operations. The hub will initially be used by WFP to roll out its operations in central Rakhine State as well as its transfer operations to northern Rakhine. The hub will gradually be handed over to the Government, which lacks logistics facilities in Rakhine. As such, the design and construction will be conducted in close collaboration with the local government, to ensure that it fits the Government's needs in the area. The hub is part of a broader collaboration on EPR between the Myanmar Government and WFP to develop in-country logistics capacity, particularly in terms of warehousing. The Sittwe hub complements other activities, funded by other donors, to rehabilitate the Government's warehouses in Yangon and Mandalay. As a consequence, the Government should have the capacity to provide logistics support to mid-sized disasters occurring anywhere in the country. Finally, thanks to the proposed new hub, WFP and its humanitarian partners will be able to quickly scale up emergency response in Rakhine State. WFP has already received funding from Australia in the form of a standby partner (Engineer) and further funding from multilateral donors.
7. Activity 3 (SO 2): The school feeding programme will see a gradual shift from the current snack programme with high-energy biscuits to a "cash for school meals" programme, which will launch in a number of areas in 2019, 2020 and 2021. While WFP envisions various positive changes through the cash for school meals programme, including increased diversification of children's diets, this shift is already reflected in the CSP and the overall strategic direction for school feeding remains unchanged.
8. Activity 4 (SO 2): Asset creation activities also anticipate a more rapid shift to CBTs, with food beneficiaries decreasing and cash beneficiaries increasing through this budget revision. While the total number of beneficiaries will decrease overall, the budget will increase due to a change in the cash and food rations,¹ as well as an increase in capacity strengthening costs in anticipation of increased engagement with the Government and funding for more capacity strengthening activities in the future.
9. Activities 7 and 8 (SO 3): SO 3 will see a significant decrease in the total budget for two main reasons. Both activities 7 and 8 will have a reduced number of beneficiaries, reflecting data from the latest Humanitarian Needs Overview and the changing needs for nutrition. In addition, the time required for treatment of moderate acute malnutrition using either Plumpysup or Supercereal Plus was reduced from 6 months to 3 months in line with the integrated management of acute malnutrition (IMAM) guidelines. These reductions in costs are partly offset by an increase in the food transfer

¹ The cash rate will increase from USD 2.50 to USD 3.50 based on the local food basket price and nutritional value.

cost rate, reflecting the higher budget needs to implement a quality nutrition programme with a package of interventions and appropriate number of qualified staff. Nutrition tonnage is very small but the costs for implementing quality services are high as curative and preventive services are specialist in nature. WFP's local cooperating partners do not have core funding and require full resourcing support from WFP to ensure high quality programming, particularly in areas with challenging transport/logistics, where many of WFP's nutrition programmes are implemented.

Beneficiary analysis

10. This budget revision reflects a significant increase in the number of planned beneficiaries under Activity 1, reflecting the changed circumstances following the August 2017 incident in Rakhine State, including the lack of a reduction in the number of IDPs in need in central Rakhine.
11. Direct beneficiaries for nutrition programmes under activities 7 and 8 are also expected to decrease, reflecting changing needs. Activity 4 will see a slight decreased in planned beneficiary figures, while the number of direct beneficiaries for Activity 3 will remain.

Strategic Outcome	Activity[1]	Period	Women		Men		Girls		Boys		Total	
			Food	Cash	Food	Cash	Food	Cash	Food	Cash	Food	Cash
			(18+ years)		(18+ years)		(0-18 years)		(0-18 years)			
1	Activity[1]/URT1.01	Current	51,200	31,600	42,700	26,300	57,800	35,600	54,800	33,800	206,500	127,300
		Increase/decrease	52,700	8,800	37,500	4,900	43,100	3,700	38,200	2,300	171,500	19,700
		Revised	103,900	40,400	80,200	31,200	100,900	39,300	93,000	36,100	378,000	147,000
2	Activity[3]/SMP1	Current					467,100	27,500	479,800	28,200	946,900	55,700
		Increase/decrease					-		-		-	-
		Revised					467,100	27,500	479,800	28,200	946,900	55,700
	Activity[4]/ACL1	Current	106,600	141,400	98,400	130,600	76,000	100,700	70,200	93,100	351,200	465,800
		Decrease	(77,800)	39,700	(71,800)	36,600	(54,800)	32,600	(50,800)	28,900	(255,200)	137,800
		Revised	28,800	181,100	26,600	167,200	21,200	133,300	19,400	122,000	96,000	603,600
	Activity[5]/URT1.05	Current	54,050	3,700	48,200	3,300					102,250	7,000
		Decrease	-	-	-	-	800	-	1,200	-	2,000	-
		Revised	54,050	3,700	48,200	3,300	800		1,200		104,250	7,000
3	Activity[7]/NPA1	Current	33,300	3,000			29,300		31,300		93,900	3,000
		Increase/decrease	2,600	1,573	-	-	(7,100)	2,823	(7,700)	3,004	(12,200)	7,400
		Revised	35,900	4,573			22,200	2,823	23,600	3,004	81,700	10,400
	Activity[8]/NTA	Current	105,200				203,500		191,000		499,700	-
		Increase/decrease	(12,700)	-	-	-	(19,000)	-	(19,900)	-	(51,600)	-
		Revised	92,500				184,500		171,100		448,100	-
TOTAL (without overlap)	Current	405,000	122,900	265,800	80,700	730,700	221,800	738,300	224,000	2,139,800	649,400	
	Increase	(39,380)	33,000	(25,800)	21,700	(70,900)	59,500	(71,700)	60,200	(207,780)	174,400	
	Revised	365,620	155,900	240,000	102,400	659,800	281,300	666,600	284,200	1,932,020	823,800	

Transfers

12. The ration for both food and cash under Activity 4 will change as reflected in Table 2 below following the recommendation of WFP's nutrition unit to ensure that the daily caloric requirement of a physically active person will be met. SuperCereal Plus will be added for Activity 5 due to its nutritional value as the patients are vulnerable to malnutrition.

Food type / cash-based transfer	Current Budget		Increase/Decrease		Revised Budget	
	Total (MT)	Total (USD)	Total (MT)	Total (USD)	Total (MT)	Total (USD)
Cereals	112,175	36,456,908	-16,351	-5,314,140	95,824	31,142,768
Pulses	13,577	8,146,008	62	37,238	13,639	8,183,246
Oil and Fats	6,081	5,533,410	163	148,223	6,244	5,681,632
Mixed and Blended Foods	57,409	56,889,963	-1,783	-2,621,042	55,626	54,268,922
Others	1,046	156,879	-29	-4,302	1,017	152,577
TOTAL (Food)	190,288	107,183,168	-17,938	-7,754,023	172,350	99,429,144
Cash-based transfers (USD)		61,423,266		18,670,304		80,093,570
TOTAL (Food and CBT value - USD)	190,288	168,606,433	-17,938	10,916,281	172,350	179,522,715

3. COST BREAKDOWN

WFP Strategic Results/SDG Targets	SR 01/SDG Target 2.2	SR 01/SDG Target 2.2	SR 02/SDG Target 2.2	Total
WFP Strategic Outcomes	1	2	3	
Focus Area	Crisis Response	Resilience Building	Resilience Building	
Transfer	6,902,271	2,893,934	7,413,627	17,209,832
Implementation	5,420,412	384,501	1,232,537	7,037,450
Direct Support Costs				1,583,119
Sub-total				25,830,402
Indirect Support Costs (6.5%)				1,678,976
TOTAL				27,509,378

WFP Strategic Results/SDG Targets	SR 01/SDG Target 2.2	SR 01/SDG Target 2.2	SR 02/SDG Target 2.2	Total
WFP Strategic Outcomes	1	2	3	
Focus Area	Crisis Response	Resilience Building	Resilience Building	
Transfer	108,470,749	112,406,184	44,290,005	265,166,938
Implementation	15,606,314	12,044,785	5,742,776	33,393,875
Direct Support Cost	7,273,020	7,482,325	2,984,312	17,739,657
Sub-total	131,350,082	131,933,295	53,017,094	316,300,470
Indirect Support Costs (6.5%)	8,537,755	8,575,664	3,446,111	20,559,531
TOTAL	139,887,837	140,508,959	56,463,205	336,860,001