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Operational matters
For information

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Crisis response revision of Bangladesh country strategic plan (March 2017–December 2020) and corresponding budget increase

	Current	Change	Revised
Duration	March 2017 – December 2020	No change	March 2017 – December 2020
Beneficiaries	3 267 100	586 058	3 853 158
	<i>(USD)</i>		
Total cost	530 994 600	438 125 977	969 120 577
Transfer	438 676 654	374 095 829	812 772 483
Implementation	35 802 055	26 184 078	61 986 133
Adjusted direct support costs	23 718 547	11 105 987	34 824 535
Subtotal	498 197 256	411 385 894	909 583 150
Indirect support costs (6.5 percent)	32 797 344	26 740 083	59 537 427

Gender and age marker* 2A

* <http://gender.manuals.wfp.org/en/gender-toolkit/gender-in-programming/gender-and-age-marker/>

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Rationale

1. The Bangladesh country strategic plan (CSP) (2017–2020) as initially approved included one activity related to humanitarian support for the existing refugee population in Cox's Bazar (activity 5).¹ The large influx of refugees from Myanmar into Bangladesh that started in August 2017 resulted in a massive scale-up of the humanitarian response across all sectors. To accommodate the vast increase in needs (700,000 additional new refugees arrived in less than two months), a first revision in October 2017 included the planned response for the first six months² of the crisis and added a fifth strategic outcome focused on logistics and telecommunications service delivery activities.
2. In early 2018, following an in-depth refugee influx emergency vulnerability assessment, the situation allowed for a better assessment of operational needs. This resulted in a second major revision (revision 3).³ In line with the 2018 joint response plan (March–December 2018), revision 3 covered only the projected needs through December 2018. Revision 4 was a minor revision to capture recent adjustments required to reflect the simplification of WFP's country portfolio budget process. See table 1 for a summary of earlier revisions.
3. The current revision (revision 5) provides the budget increase required to extend the operation in Cox's Bazar to 2019 and 2020 through activities 5 (integrated assistance package in Cox's Bazar), 12 (common logistics services), 13 (Emergency Telecommunications Cluster and services) and 14 (site maintenance and engineering). WFP's 2019 needs align with the 2019 joint response plan. The budget for 2020 is based on an assumed reduction in needs. Any minor changes in actual needs will be reflected in the CSP annual implementation plans.⁴
4. WFP remains fully supportive of the Government of Bangladesh's commitment to a political solution to the question of repatriation at any point in time. The 2020 budget (reflecting a 25 percent overall reduction in needs) included in this revision was added in line with WFP's new financial planning framework, as mandated by the Executive Board through the Integrated Road Map. Adjustments to reflect major shifts in the situation can be made at any time.
5. This revision also includes a small adjustment to the budget for activity 1 (not related to Cox's Bazar) and an increase in the budget for activity 7 (emergency preparedness). No new strategic outcomes or activities are proposed.

Changes

Strategic orientation

6. No major changes in the strategic orientation of the CSP are foreseen for the 2019 humanitarian activities in Cox's Bazar. However, the size of the operation and the gradual transition along the humanitarian-development nexus of the activities within the Cox's Bazar operation reflects ongoing changes in the situation of the vulnerable population. One year ago, in August 2017, a sudden influx of large numbers of refugees from neighbouring Myanmar called for an immediate large-scale humanitarian response of a life-saving nature by WFP, with unconditional in-kind distributions, an emergency nutrition

¹ Up to 200,000 refugees from Myanmar were in Cox's Bazar well before the August 2017 crisis.

² In line with the Humanitarian Response Plan, September 2017 – February 2018. Available at https://reliefweb.int/sites/reliefweb.int/files/resources/2017_HRP_Bangladesh_041017_2.pdf.

³ Prior to revision 3, there was a small technical revision (revision 2) that adjusted the indirect support cost rate from 7 to 6.5 percent. Revision 3 was therefore the second significant budget revision related mainly to Cox's Bazar.

⁴ In line with WFP's new Integrated Road Map framework, annual needs are reflected in operational plans.

programme and a growing role for WFP as the common service provider as its main elements.

7. From the outset, WFP's aim was to expand the use of its SCOPE beneficiary and transfer management system to enroll all existing and new arrivals, facilitating a more structured distribution system and enabling a transition to e-vouchers redeemable in dedicated shops with a wide range of food, including fresh produce, allowing beneficiaries to choose when to shop and what to buy. Pre-crisis targeted school feeding, livelihood and disaster risk reduction programmes⁵ continue to be enhanced to include more vulnerable refugee and host populations, and the coverage of nutrition prevention and treatment interventions is increasing as more health centres become functional.
8. The enrollment of all beneficiaries in SCOPE was completed in early 2018. The transition from general food distribution to e-vouchers has been steady, albeit somewhat slower than planned, due in part to issues with the physical establishment of shops (land leasing, etc.). By September 2018, some 30 percent of beneficiaries were using the e-vouchers and shops, while the remaining 70 percent continued to receive bi-weekly in-kind food rations. Preparations to open more shops are under way.
9. A broader discussion is taking place on the desirability of moving all beneficiaries to cash-based modalities. WFP refers to its portion of this cash⁶ as "cash for food". With the progress made in SCOPE enrollment and e-vouchers, WFP is well positioned for such a transition. The proposed budget provides for a gradual increase in the number of beneficiaries receiving multi-purpose cash, subject to government approval.

Strategic outcomes

10. While the proposed revision does not provide for any new outcomes, outputs or activities, the size of the operation, the volume of work under activity 5 and the expansion of some of the other crisis response activities merit a more detailed explanation of the planning assumptions for each component of activities 5, 12, 13 and 14. This is provided below. Further detail can also be found in the budget narrative document that accompanies the country portfolio budget and in project-related documents.⁷ Paragraphs 22 and 23 below outline a small addition to the budgets for activity 1 (not related to Cox's Bazar) and activity 7 (emergency preparedness).

Activity 5: Deliver an integrated assistance package in Cox's Bazar.

11. Unconditional food assistance for all pre- and post-August refugees (907,000 people in total) will continue in 2019. It is not foreseen that vulnerability-based targeting or conditional food assistance can be introduced yet, given the lack of changes in overall conditions. The transition from in-kind assistance to e-vouchers is planned to be complete in mid-2019. WFP also plans to increase the percentage of beneficiaries receiving multi-purpose cash grants. Thus, as of mid-2019, there will be three food assistance modalities: in-kind food distributions, e-vouchers for redemption in WFP shops and cash for food. Beneficiaries will receive one or more of the three.

⁵ For both host populations and existing refugees.

⁶ This cash for food value aligns with the transfer value of the e-voucher modality.

⁷ Concept of operations, situation reports, etc.

12. The plan is that by January 2019, 690,000 beneficiaries will receive in-kind rations, while the remaining 217,000 will receive e-vouchers. By the end of the year 2019, 46,000 people will receive general food distribution,⁸ 760,000 e-vouchers, and 101,000 cash for food.⁹ The number of beneficiaries is expected to remain stable in 2019, at 907,000. For planning purposes, a 25 percent overall reduction is assumed for 2020.
13. WFP is also including a planned monthly rapid response stock for unforeseen contingencies to cover 11,500 people¹⁰ per month.
14. Furthermore, from November 2018 to February 2019 WFP will contribute to inter-agency winterization efforts by adding a temporary cash top-up of USD 5 per person per month for 907,000 beneficiaries, regardless of the transfer mechanism. This will allow the purchase of additional food to supply extra calories.
15. The completion of SCOPE registration has allowed WFP to start offering a common multi-wallet platform, and this service is expected to expand to include new partners. In the start-up phase in 2018, all user costs were covered by WFP. Beginning in 2019, WFP will work with partners on a cost-recovery basis.¹¹
16. In the ongoing transition along the humanitarian-development nexus from a life-saving humanitarian to an integrated livelihoods-focused development approach for all vulnerable groups, regardless of status, WFP will scale up its 2019 coverage in nutrition, school feeding, disaster risk reduction, enhanced food security and nutrition (EFSN)¹² and self-reliance in the camps, as well as in five host community *upazilas*.¹³ as follows:
 - Moderate acute malnutrition prevention and treatment will continue to be scaled up to reach internationally agreed standards by early 2019, covering a monthly caseload of up to 195,000 children under 5 and pregnant and lactating women and girls in both camps and host communities. Coverage will expand within the camps and increase from three to five *upazilas*.
 - In the camps, school feeding coverage in 2019 will include an estimated additional 100,000 children in new learning centres, as and when they open. The estimated number of children increases from 366,000 in January (60 percent in camp learning centres and 40 percent in host communities) to 462,000 in December (70 percent in camps and 30 percent in the five host community *upazilas*).
 - The number of EFSN beneficiaries in the host communities is planned to double over the course of 2019 to reach 60,000 households (300,000 people) by December.
 - Self-reliance activities focusing on gender equality, women's empowerment, livelihood support, cash for training and cash grants have started on a pilot scale in the camps. The 2019 planned figure rise from 2,100 households in January to 15,000 households (69,000 people) by December.

⁸ The beneficiaries who will stay on in-kind food assistance are located in the Unchiprang, Shamlapur and Chakmarkul camps, which are some distance from the megacamp and where transitioning to shop-based vouchers is not feasible.

⁹ Pending Government approval of this modality. Otherwise, these people will continue under the e-voucher modality.

¹⁰ The rapid response modality allows for flexibility to respond to various unforeseen cases such as new arrivals and special protection cases. Unused monthly rapid response stock will be considered general contingency stock. During the monsoon season, the rapid response planning figure will double from 11,500 to 23,000 people.

¹¹ This could be partial recovery of variable, partner-related costs; details will be defined and communicated to new partners

¹² EFSN is a grant-based socio-economic empowerment WFP safety ladder approach developed in Bangladesh.

¹³ An *upazila* is a geographic political area similar to a municipality.

- Disaster risk reduction cash-for-work activities in both camps and to a smaller extent in the host populations will expand to reach 33,000 households (165,000 people) by December 2019. Activities will contribute to productive asset creation and community projects at the camp sites and may expand to include reforestation and slope stabilization in and around the camps.
17. It must be noted, however, that the level and pace of scale-up will be guided by the broader ongoing dialogue among all stakeholders regarding long-term Government strategies regarding livelihoods and resilience activities in Cox's Bazar. In this dialogue, WFP and its partners continue to advocate increasing refugee mobility and work opportunities. Protection principles of safety, dignity, meaningful access and accountability will inform implementation of all programming.
 18. Now that more storage space is becoming available in the operational area, WFP is planning to create a one-month reserve of full food rations to cover a range of contingencies, including monsoon damage, a new influx of refugees, pipeline disruptions and other unforeseen events that could affect a large portion of the vulnerable populations in Cox's Bazar.

Activity 12: Coordinate the Logistics sector/cluster and provide efficient common logistics services to support the humanitarian community response.

19. Work under activity 12 will continue in 2019 under the same parameters and budget assumptions as defined in the CSP. This revision provides for a 2019 budget that is similar to the 2018 budget and to a 2020 budget that is 30 percent lower. Any unforeseen operational changes will be reflected in a revised planning scenario or concept of operations and, if needed, through an additional revision.

Activity 13: Coordinate the Emergency Telecommunications Sector/Cluster (ETC) and provide efficient services to support the humanitarian community response.

20. Work under activity 13 will continue in 2019 under the same parameters and budget assumptions as defined in the CSP. This revision provides for a 2019 budget that is similar to the 2018 budget and a 2020 budget that is 25 percent lower.

Activity 14: Site Maintenance and Engineering Project. (SMEP)

21. Work under activity 14 will continue in 2019 under the same overall parameters as defined in the CSP. One of three partners (with the Office of the United Nations High Commissioner for Refugees and the International Organization for Migration), WFP focuses on five activities: cut and fill activities to create safe levelled land; slope stabilization; increasing overall available space for shelter and other uses; capacity augmentation for the local government engineering department; and engaging refugees and host communities in cash-for-work opportunities. The 2020 budget reflects an overall 25 percent reduction.
22. The total SMEP budget consists of the combined contributions made by each of the three agencies toward its operational running costs. The financial figures in the SMEP Budget Revision reflect only that portion of the overall SMEP budget to which WFP contributes. Each of the three agencies can, and do, individually seek donor support specifically to fund their SMEP contribution. In the eventuality a donor wants to fund SMEP in its entirety the SMEP steering committee (IOM, UNHCR and WFP) then decides which agency would be the fund recipient.

Activity 1: Technical assistance and advocacy to enhance the food security and nutrition impact of selected safety nets

23. Under this activity, WFP plans to launch a study, together with the International Food Policy Research Institute, that will inform on technical advice relating to the Government's improved maternity and lactating mothers' allowance programme. This study will involve distributing in-kind food baskets and cash to groups of randomly selected women. The original design of activity 1 did not provide for the distribution of food and cash. This revision therefore proposes to add such activities and to increase the budget for activity 1 to cover the distributions, along with the other costs associated with the study.

Activity 7: Deliver food assistance in emergencies.

24. This activity covers any unforeseen acute needs of households affected by disasters anywhere in Bangladesh. Given the many potential shocks in Bangladesh and the increased number of vulnerable people in Cox's Bazar, WFP considers it prudent to increase the budget for this activity by 30 percent. This activity is not part of the Cox's Bazar response but rather a contingency budget for unforeseen emergencies in any part of the country, including Cox's Bazar.
25. For ease of reference, table 1 provides an overview of budget increases due to previous revisions of the CSP.

Budget line	Original budget	Revision 1	Revision 2	Revision 3	Revision 4
		(6 months)	Change in indirect support costs	(10 months)	Technical revision (for budget simplification)
Total food (mt)	67 250	156 188	156 188	270 058	270 058
	(USD)				
Food transfer value	30 191 614	75 947 952	75 947 952	136 777 790	136 777 790
Food transfer costs	12 919 379	30 422 475	30 422 475	61 731 465	61 604 051
Cash-based transfers and commodity voucher transfer value	54 503 301	106 180 888	106 180 888	142 403 179	142 403 179
Cash-based transfers and commodity voucher transfer cost	9 259 534	15 768 988	15 768 988	28 779 522	28 677 273
Capacity strengthening	43 409 478	45 091 093	45 091 093	49 578 861	48 937 858
Service delivery	-	2 889 595	2 889 595	20 276 503	20 276 503
Implementation costs	22 682 238	26 952 229	26 952 229	34 931 389	35 802 055
Adjusted direct support costs	15 467 176	17 901 563	17 901 563	23 718 547	23 718 547
Indirect support costs	13 190 290	22 480 835	21 288 910	32 797 344	32 797 344
Total cost	201 623 010	343 635 620	342 443 694	530 994 600	530 994 600

Beneficiary analysis

TABLE 2: FOOD AND CASH TRANSFER BENEFICIARIES BY STRATEGIC OUTCOME AND ACTIVITY												
Strategic outcome	Activity	Description	Food/ CBTs	Current			Increase / Decrease			Revised		
				Girls/Women	Boys/Men	Total	Girls/Women	Boys/Men	Total	Girls/Women	Boys/Men	Total
1	1	Allowance to mothers (child benefit programme)	Both	40 800	13 600	54 400	4 310	3 690	8 000	45 110	17 290	62 400
	4	WFP school feeding	Both	146 900	141 100	288 000	-	-	-	146 900	141 100	288 000
2	5	General food distribution	Both	505 294	433 706	939 000	24 864	21 341	46 205	530 158	455 047	985 205
		WFP school feeding	Food	278 000	267 400	545 400	-	-	-	278 000	267 400	545 400
		Nutrition support	Food	92 960	57 493	150 453	92 960	57 493	150 453	436 327	242 393	678 720
		Livelihood support (host population)	CBT	107 760	92 240	200 000	53 880	46 120	100 000	161 640	138 360	300 000
		Self-reliance (cash-for-training)	CBT			-	37 130	31 870	69 000	37 130	31 870	69 000
		Disaster risk reduction	CBT			-	139 104	119 396	258 500	139 104	119 396	258 500
	6	WFP school feeding	Both	34 000	32 600	66 600	-	-	-	34 000	32 600	66 600
		Nutrition support	Food	8 385	5 016	13 401	-	-	-	8 385	5 016	13 401
		Livelihood support	CBT	3 900	3 600	7 500	-	-	-	3 900	3 600	7 500
7	Emergency assistance	Both	487 760	450 240	938 000	146 328	135 072	281 400	634 088	585 312	1 219 400	
3	8	Evidence creation	CBT	10 400	9 600	20 000	-	-	-	10 400	9 600	20 000
	9	Livelihood support	CBT	36 400	33 600	70 000	-	-	-	36 400	33 600	70 000
		Cash-based transfers	CBT	59 000	59 000	118 000	-	-	-	59 000	59 000	118 000
Total*				1 829 576	1 437 524	3 267 100	322 342	263 716	586 058	2 151 918	1 701 240	3 853 158

* Excluding overlap. Women and girls represent up to 55.8 percent of the targeted beneficiaries for Activity 5.

Transfers

TABLE 3: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY

	Strategic outcomes 1 and 2			Strategic outcome 2									Strategic outcomes 2 and 3			
	Activity 1	Activities 4, 5 and 6	Activities 4 and 6	Activity 5	Activities 5 and 6	Activities 5 and 6	Activities 5 and 6	Activities 5 and 7	Activity 7	Activity 5	Activity 5	Activity 7	Activities 5, 6, 8 and 9	Activities 5, 6, 8 and 9	Activity 5	
Beneficiary type	Households	School children	School children (hot meal)	School children (once a year)	Pre-school children	PLW	Children under 5	Households	Households	Households (makeshift sites / new influx)	Refugee households in camps/ makeshift sites/new influx ¹	Households	Women (monthly subsistence allowance)	Women (cash grant)	Households (FFA)	Households (FFT)
Cereals	450		90						450	400						
Pulses	60		25						60	120						
Oil	25		12			20			25	38						
Fortified biscuits		75			50			250								
SuperCereal						225										
SuperCereal Plus							200									
Dates				400												
Total kcal/day	2 046	375	516	980	250	1 035	787	1 125	2 046	2 100						
Cash-based transfers (USD/person/day)	0.33		0.13								0.33	0.33	0.09	38	0.62	0.17
No. of feeding days per year	180	240	200	One-off	288	365 ²	365 ³	3	90	365	365	90	365	One-off	150	150

Abbreviations: FFA, food for assets; FFT, food for training; PLW, pregnant and lactating women

¹ There is a gradual shift from general food distribution to cash-based transfers/e-vouchers at a rate of 100,000 per month starting from July 2018; therefore, 365 days will be reduced depending on the actual rate of shift.

² 365 days for blanket supplementation, but 120 days for moderate acute malnutrition treatment supplementation.

³ 365 days for blanket supplementation, but 90 days for moderate acute malnutrition treatment supplementation.

TABLE 4: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE						
	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	197 557	80 700 716	23 970	11 057 355	221 527	91 758 071
Pulses	26 481	18 467 455	9 609	4 248 781	36 090	22 716 236
Oil and fats	9 893	8 024 660	3 548	2 867 122	13 441	10 891 782
Mixed and blended foods	35 151	28 098 511	33 118	29 921 462	68 269	58 019 973
Other	976	1 486 448	68	103 564	1 044	1 590 012
Total (food)	270 058	136 777 790	70 312	48 198 284	340 370	184 976 074
Cash-based transfers		142 403 179	-	215 509 054	-	357 912 233
Total (food and cash-based transfer value)		279 180 969	-	263 707 339		542 888 308

Cost breakdown

26. Through this revision, the country portfolio budget will be increased by USD 438,125,977, from USD 530,994,600 to USD 969,120,577. The main reasons for the changes are explained below.
27. **Strategic outcomes 2 and 5:** Currently, activities 5, 12, 13 and 14 are related to crisis response to assist the refugees from Myanmar. The current budget was approved up to December 2018. It is therefore necessary to increase the budget to extend these activities to 2019 and 2020. The additional budget will cover transfers and implementation, as well as associated costs. The total net budget increase for strategic outcomes 2 and 5 is USD 398,365,297, which is 99.5 percent of the overall budget increase.
28. **Strategic outcome 1:** The cash and food requirement under this strategic outcome is for a research project. The net additional budget is USD1,126,431, which is 0.3 percent of the overall budget increase.
29. **Strategic outcomes 3 and 4:** All other CSP activities have been slightly revised based on the increase in staff costs and the need for some additional new staff for programme implementation.

	Strategic Result 2/ SDG Target 2.2	Strategic Result 1/ SDG Target 2.1	Strategic Result 4/ SDG Target 2.4	Strategic Result 5/ SDG Target 17.9	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Root causes	Crisis response	Resilience building	Resilience building	Crisis response	
Transfers	617 758	343 090 177	-76 635	40 198	30 424 330	374 095 829
Implementation	508 673	24 775 724	824 614	0	75 066	26 184 078
Adjusted direct support costs						11 105 987
Subtotal						411 385 894
Indirect support costs (6.5 percent)						26 740 083
Total						438 125 977

	Strategic Result 2/ SDG Target 2.2	Strategic Result 1/ SDG Target 2.1	Strategic Result 4/ SDG Target 2.4	Strategic Result 5/ SDG Target 17.9	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Root causes	Crisis response	Resilience building	Resilience building	Crisis response	
Transfers	39 798 158	681 074 527	28 112 786	13 086 179	50 700 833	812 772 483
Implementation	6 317 645	49 120 938	4 639 319	666 843	1 241 388	61 986 133
Adjusted direct support costs	1 937 260	28 944 822	1 365 330	540 502	2 036 621	34 824 535
Subtotal	48 053 063	759 140 287	34 117 435	14 293 523	53 978 842	909 583 150
Indirect support costs (6.5 percent)	3 198 890	49 607 707	2 268 839	941 625	3 520 365	59 537 427
Total	51 251 954	808 747 994	36 386 273	15 235 148	57 499 208	969 120 577