

COUNTRY STRATEGIC PLAN REVISION

REVISION – FOR APPROVAL

Laos Country Strategic Plan (2017-2021), LA01, Revision 02

Gender and age marker code: 2A

	Current	Change	Revised
Duration	<i>01 Apr 2017</i>	<i>N/A</i>	<i>31 Dec 2021</i>
Beneficiaries	332,117	-89,922	242,195
TOTAL COST (USD)	84,821,703	-6,103,747	78,717,956
Transfer	61,635,728	-1,342,854	60,292,874
Implementation	9,608,999	-3,148,101	6,460,897
Direct Support Costs	8,327,328	-1,240,873	7,086,456
Sub-total	79,572,055	-5,731,827	73,840,228
Indirect support costs (6.5 percent)	5,249,648	-371,920	4,877,728

	Current in WINGS	Current in BPT	Difference
Total Cost	85,023,123	84,821,703	201,420
Transfer	61,976,255	61,635,728	340,527
Implementation	9,628,095	9,608,999	19,096
Adjusted direct support costs	8,156,494	8,327,328	-170,834
Subtotal	79,760,844	79,572,055	188,789
Indirect support costs (6.5 percent)	5,262,279	5,249,648	12,631

1. RATIONALE

This budget revision (BR) aims at making the necessary adjustments in order to capture the new contributions which require additional commodities in certain SOs, and also adjustments for changes in programme delivery mode in certain SOs. Furthermore, the BR is capturing a technical revision of staff rates based on Budget Planning Tool which has resulted in retroactive adjustment in 2017.

2. CHANGES

Strategic orientation

This budget revision does not impact the strategic orientation of the Lao Country Strategic Plan. The four SOs are still relevant and the CSP contributes to the achievement of national food and nutrition security targets.

Strategic outcomes

Three out of four strategic outcomes are being amended under this budget revision;

Changes in Strategic Outcome 1 “School children in remote rural areas have sustainable access to food by 2021”

- Increase in additional food and related costs, which includes transfers from the Country Programme amounting to 6,061 tons and also 360 tons of canned fish from a Japanese contribution;
- Reduction in cash-transfer modality for school feeding, four of the nine districts that will be handed over to the government in 2019 currently have a cash transfer modality for procuring diverse fresh produce. Therefore, there is a reduction in the cash transfer

operations and while there are plans to continue CBT in additional districts the projected volume needs to be adjusted to more realistic levels.

Changes in Strategic Outcome 2 “Children under 2 years of age in provinces with a high level of malnutrition have stunting rate trends as per national targets by 2025”

- Phasing out of pregnant and lactating women has taken effect in 2018 (the phase out was planned in the CSP for 2019, hence a year earlier). While mother and child health programmes have been expanding, WFP under the GAFSP-funded activities has been delivering social behaviour change and communication messages on nutrition accompanied with small grants for women to undertake investments aimed at increasing local sources of complementary food diversity.

Changes in Strategic Outcome 3 “Vulnerable households in climate sensitive districts are more resilient to seasonal and long-term shocks and stresses”

- Increase in food allocation from the Japanese contribution which supports the establishment of rice banks in targeted villages.
- The revised plans takes into account the recent contributions from Australia for the flood-affected emergency response, and adds additional rice as well as oil, and nutributter under Activity 7.
- A reduction in the plans for cash transfers since the initial plans under the CSP were ambitious and conditions in Laos for expansive cash transfers are still limited.

Beneficiary analysis

Changes in beneficiary caseload as per activities are as follows:

- Under SO1, 515 schools in the 9 prioritized districts will be handed over to communities and government in mid-2019. This represents approximately a reduction of a third of the current beneficiary caseload under Activity 2. Accordingly, with the reduction in schools there is a reduction of cash transfers from the planned 139,000 students down to 13,100 students under Activity 3.
- Under SO2, in Activity 5 reduction of beneficiaries due to phasing out food transfers to 13,000 pregnant and lactating women since January 2018.
- Under SO3, Activity 7 general food support to 13,100 flood-affected beneficiaries and nutrition support to 1,500 children 6-59 months and 500 pregnant and lactating women in flood-affected areas in the south. There is also scaling down of the plans for cash based transfers, since the initial plans under the CSP were ambitious and conditions in Laos for expansive cash transfers are still limited

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY								
Strategic Outcome	Activity[1]	Modality	Period	Women	Men	Girls	Boys	Total
				(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	2	CS/Food	Current	0	0	64,309	88,808	153,117
			Increase/decrease	0	0	-18,714	-25,844	-44,558
			Revised	0	0	45,595	62,964	108,559
	3	CS/CBT	Current	0	0	58,380	80,620	139,000
			Increase/decrease	0	0	-31,430	-52,570	-84,000
			Revised	0	0	26,950	28,050	55,000
2	5	Food	Current	13,000	0	8,190	11,310	32,500
			Increase/decrease	-13,000	0	0	0	-13,000
			Revised	0	0	8,190	11,310	19,500
3	7	CS/Food/CBT	Current	2,399	2,550	1,238	1,313	7,500
			Increase/decrease	16,418	17,444	8,628	9,146	51,636
			Revised	18,817	19,994	9,866	10,459	59,136
TOTAL <i>(without overlap)</i>			Current	15,399	2,550	132,117	182,051	332,117
			Increase/decrease	3,418	17,444	-41,516	-69,268	-89,922
			Revised	18,817	19,994	90,601	112,783	242,195

NOTE: beneficiaries under Activity 3 overlap 100% with beneficiaries under Activity 2.

Transfers

- Under SO1 Activity 2 the planned shift in September 2017 from a mid-morning snack (composed of supercereal, sugar and vegetable oil) to School Lunch utilizing rice, lentils canned fish (2 times a week), and vegetable oil, meant that during 2017, WFP Lao still distributed supercereal, sugar, and vegetable oil totalling 541mt. This needs to be reflected in this budget revision.
- Under SO1 Activity 3, under this budget revision, the plan is to reduce the planned cash transfer to support school meals.
- Under SO3 Activity 7, additional commodities of oil and nutributter are being included because of the emergency food response to flood-affected beneficiaries.
- Under SO3 Activity 7, originally in the CPB cash based transfers was over ambitious given the infancy of cash transfers in Lao PDR generally. Therefore, under this budget revision cash transfers are reduced to be approximately USD 2.5 million including CERF funding for the flood response.
- there is increase of general food distribution addressing the flood victims. This include food for 261 mt and cash based transfers.

TABLE 2: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (US\$/person/day) BY STRATEGIC OUTCOME AND ACTIVITY

Strategic Outcome	Strategic Outcome 1				Strategic Outcome 2	Strategic Outcome 3				
Activity	Activity 2			Activity 3	Activity 5	Activity 7				
Beneficiary type	On-site school meals	THR community SF-FFA	THR community rice bank	Child displaced	On-site school meals (overlap with food school meals)	THR for children 6-23 months	THR assets creation	General Distribution	Child displaced Attapeu	IDP Khammouane
Modality (indicate food or cash)	Food	Food	Food	Food	CBT	Specialized Nutritious Food	Food and CBT	Food	Food and CBT	CBT
cereals	100	300	600	100			602	417		
pulses	40			40						
oil	10			10				10	41	
Fish canned	12			30						
Fish canned as Incentive										
Nutributter						20		40		
total kcal/day (to be completed for food and cash modalities)	611					108				
% kcal from protein	13%					9.80%				
cash (US\$/person/day; use average as needed)					0.094		5		0.18	0.15
Number of feeding days per year	175	30	30	90	175	360	60	90	90	180

Note:

- Canned Fish ration under School Lunch is 30 g/day but only 2 days/weeks so = 60/5 = 12 g
- CBT under Activity 3 is LAK800/student/school day (USD 0.094/student/school day using September 2018 UN - Exchange Rate)
- CBT for flood response under Activity 7 is LAK 1,500/child/day (USD 0.18) for the displaced primary school students

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS & VALUE

Food type / cash-based transfer	Current Budget		Increase/Decrease		Revised Budget	
	Total (MT)	Total (USD)	Total (MT)	Total (USD)	Total (MT)	Total (USD)
Cereals	9,108	5,511,319	3,653	1,387,638	12,761	6,898,957
Pulses	2,702	3,512,432	389	45,795	3,091	3,558,227
Oil and Fats	779	923,828	485	542,019	1,263	1,465,847
Mixed and Blended	1,340	3,409,202	-176	-524,699	1,164	2,884,503
Others	162	476,046	478	2,237,120	639	2,713,166
TOTAL (Food)	14,091	13,832,828	4,828	3,687,872	18,919	17,520,700
Cash Based Transfer & Comm. Vouchers		9,630,525		-3,651,484		5,979,042
TOTAL (Food and CBT value - USD)	14,091	23,463,353	4,828	36,389	18,919	23,499,741

3. COST BREAKDOWN

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)

WFP Strategic Results/ SDG Targets	Total	SR 01	SR 02	SR 04	SR 05
WFP Strategic Outcomes		Strategic Outcome 01	Strategic Outcome 02	Strategic Outcome 03	Strategic Outcome 04
Focus Area					
Transfer	-1,342,854	3,315,988	-5,267,110	-560,317	1,168,586
Implementation	-3,148,101	-1,326,285	-1,424,725	-239,789	-157,302
Direct Support Costs	-1,240,873				
Sub-total	-5,731,827				
Indirect Support Costs	-371,920				
TOTAL	-6,103,747				

TABLE 5: OVERALL CSP/ICSP/LEO COST BREAKDOWN, AFTER REVISION (USD)

WFP Strategic Results	Total	SR 01	SR 02	SR 04	SR 05
WFP Strategic Outcomes		Strategic Outcome 01	Strategic Outcome 02	Strategic Outcome 03	Strategic Outcome 04
Focus Area					
TOTAL	78,717,956	50,384,620	15,130,097	7,363,340	5,839,899
Transfer	60,292,874	38,996,656	11,190,140	5,643,224	4,462,854
Implementation	6,460,897	3,789,389	1,597,400	605,260	468,848
Direct Support Cost	7,086,456	4,481,724	1,401,788	657,654	545,290
Sub-total	73,840,228	47,267,770	14,189,328	6,906,138	5,476,992
Indirect Support Costs	4,877,728	3,116,851	940,769	457,202	362,907