

COUNTRY STRATEGIC PLAN REVISION

REVISION – FOR APPROVAL

Ethiopia interim country strategic plan, revision |1|

Gender and age marker code: 3

	Current	Change	Revised
Duration	1 January 2019–30 June 2020	N/A	1 January 2019–30 June 2020
Beneficiaries	<i>Total n/a</i>	<i>Increase/decrease n/a</i>	<i>Revised total n/a</i>
Total cost (USD)	\$871,337,120	\$75,970,833	\$947,307,953
Transfer	\$725,193,887	\$70,558,079	\$795,751,967
Implementation	\$38,691,793	\$1,362,872	\$40,054,664
Direct support costs	\$54,271,240	(586,836)	\$53,684,405
Subtotal	\$818,156,920	\$71,334,115	\$889,491,036
Indirect support costs (6.5 %)	\$53,180,200	\$4,636,718	\$57,816,917

1. RATIONALE

1.1. The Government of Ethiopia (GoE) through the National Disaster Risk Management Committee (NDRMC) has formally requested WFP purchase and deliver on its behalf 200,000 mt of internationally sourced wheat, to timely respond to beneficiary needs.

There is a serious humanitarian situation in Ethiopia: three million IDPs and five million drought-affected people (plus eight million under the productive safety net programme). The Government, through NDRMC, is not able to secure timely cereal supply; unless WFP provides purchase and food delivery, the Government may not be able to meet its substantial responsibilities for relief (IDPs and drought) and for the productive safety net. Therefore, WFP has been approached to facilitate the purchase and delivery of wheat, in order to help the Government in averting a food-security crisis in Ethiopia. This wheat is to be delivered to three main locations in Ethiopia: 140,000 mt Adama; 30,000 mt Dire Dawa and 30,000 mt Kombolcha. It is planned to be used for distributions in the areas where GoE implements its humanitarian operations

1.2. This revision increases the budget of ICSP by USD 75,970,833;

1.3. During this revision, there was an automated change on international positions' rates for 2019 Fiscal Year onwards which differs from the original approved ET01 Needs Based Plan resulting to a decrease of USD 586,836 on the DSC budget.

1.4. WFP Ethiopia Country Office is handling this agreement with GoE on a full cost-recovery basis.

1.5. The start date of the revision is 10 June 2019 and the end date 30 June 2020.

2. CHANGES

Strategic orientation

2.1. No changes

Strategic outcomes

2.2. This Service Provision is carried out under WFP Strategic Objective 5: Government, humanitarian & development partners in Ethiopia have access to and benefit from effective and cost-efficient logistics services, including air transport, common coordination platforms and improved commodity supply chains when needed. The Service Provision is contributing to WFP Strategic Objective 1: Refugee and crisis-affected populations in targeted areas are able to meet their basic food and nutrition needs throughout the year.

2.3. Through this 18-month ICSP, WFP is supporting the Government in implementing strategies towards achieving zero hunger by 2030. To address the hunger gap in the country, the Government has carried out the poverty and hunger strategic review in partnership with WFP and other partners. This report was released in January and informs the humanitarian needs in the country. The 2019 Humanitarian Response Plan (HRP) projects that 8.86 million people will require assistance in 2019. The increase in needs compared to 2018 is directly related to the spike in conflict-related displacements. The IDPs are

projected to require assistance through 2019, as return and resettlement efforts have yet to bear fruit and IDPs are reluctant to return home due to a lack of security. Displaced households often fled with nothing more than what they could carry with them. Returnees will require continued holistic support to sustain their lives and rebuild their livelihoods. Out of the total number of vulnerable people identified in the HRP, 8.13 million people are acutely food insecure.

- 2.4. Due to a deficit of cereals in the country, the Government has launched a series of international tenders for 600,000 mt of wheat. The indicative delivery of these tenders is in Q3 and Q4, which is too late for the planned distributions.
- 2.5. If the Government, through NDRMC, is not able to secure the cereal supply, it will not be able to meet its substantial responsibilities for relief (IDPs and drought) and the productive safety net. Through the expedited purchase and delivery of 200,000 mt wheat, WFP is supporting Government efforts to keep its commitments to the crisis-affected beneficiaries in the country.
- 2.6. As part of WFP's risk management and mitigation strategy, it has received guarantees from the Government that arriving shipments under the Service Level Agreement will be given priority for transport and other logistical arrangements, which otherwise might be negatively affected because of the high volume of transporters required for the seasonal import of fertilisers, cereals and other cargo.

Beneficiary analysis

No changes

Transfers

No changes

3. COST BREAKDOWN

- 3.1. The Transfer costs include the commodity and bags, shipping, port operation, bagging, stevedoring, transport to the final delivery point and superintendent at destination.
- 3.2. The Implementation costs include the management cost recovery (MCR) and Country Office staffing costs related to the implementation of this Service Provision. As MRC covers HQ costs, it replaces ISC which therefore does not apply.
- 3.3. The reduction in the DSC budget resulted from the revision of standard position costs.

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)						
	xx	xx	xx	xx	Strategic Result 8/ SDG Target 17.16	Total
Strategic outcome	1	2	3	4	5	
Focus area					Crisis Response	
Transfer					\$70,558,079	\$70,558,079
Implementation					\$1,362,872	\$1,362,872
Direct support costs						(586,836)
Subtotal						\$71,334,115
Indirect support costs (6.5%)						\$4,636,718
TOTAL						\$75,970,833

TABLE 5: OVERALL ICSP COST BREAKDOWN, AFTER REVISION (USD)	
	Total
Transfer	\$795,751,967
Implementation	\$40,054,664
Direct support costs	\$53,684,405
Subtotal	\$889,491,036
Indirect support costs (6.5%)	\$57,816,917
TOTAL	\$947,307,953

APPROVED BY

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Date: ___/___/___