

COUNTRY STRATEGIC PLAN REVISION

REVISION – FOR APPROVAL

Somalia Interim Country Strategic Plan, revision number 2

Gender and age marker code: 3

	Current	Change	Revised
Duration	<i>Jan 2019 – December 2021</i>	<i>N/A</i>	<i>N/A</i>
Beneficiaries	<i>4,900,265</i>	<i>1,200,000</i>	<i>6,100,265</i>
Total cost (USD)	\$ 1,175,155,803	\$ 108,548,930	\$ 1,283,704,733
Transfer	\$ 936,733,532	\$ 98,914,034	\$ 1,035,647,566
Implementation	\$ 90,088,131	\$ 1,003,016	\$ 91,091,147
Direct support costs	\$ 76,611,016	\$ 2,006,828	\$ 78,617,843
Subtotal	\$ 1,103,432,679	\$ 101,923,878	\$ 1,205,356,557
Indirect support costs (6.5 percent)	\$ 71,723,124	\$ 6,625,052	\$ 78,348,176

Somalia Interim Country Strategic Plan, Budget Revision 2.

1. RATIONALE

1. The Government of Somalia has recently approved its first Social Protection Policy, a political milestone for the country, where over half of the population lives in extreme poverty and large segments risk falling into extreme poverty. The extent of poverty and vulnerability in Somalia, along with the frequency of droughts and other natural and man-made shocks, demands sustainable, long-term approaches as well as new ways of addressing the effects of shocks. This policy, with its related protection policies and programmes, is a stepping stone towards reducing poverty and vulnerability in Somalia.
2. The policy intends to strengthen all components of a social protection system, including the development of a single registry and national identification (ID) cards. The policy also advocates for setting up transitional safety nets as a first step, and then transitioning to a social protection floor as and when the evidence base is built.
3. Following the approval of the policy, the Federal Government of Somalia, the World Bank and WFP have entered into an agreement to implement a Shock-Responsive Safety Net for Human Capital Project (SNHCP) for vulnerable Somalis across the country. The proposed project will provide poor and vulnerable households with nutrition-linked cash transfers to meet their immediate consumption gaps and protect them against food insecurity and malnutrition risks as expected as a result of the current drought, which is affecting 2.3 million people. With a view towards longer-term development, it will also support Government institutions and systems including the essential delivery mechanisms of a national social safety net system. The components of this project include:
 - Nutrition-linked unconditional cash transfers;
 - Delivery systems and institutional capacity strengthening; and

➤ Project management and monitoring and evaluation.

4. Component 1 will target families with children aged 6-59 months, who are also potential WFP's and UNICEF's beneficiaries under nutrition programmes. Geographical community selection will be contingent to the presence, in that same community, of nutrition facilities and services. WFP and UNICEF will also ensure that safety net beneficiaries are able to access nutrition services. Transfers to beneficiaries and linkages of beneficiaries to nutrition interventions will be provided by the health sector and UN agencies such as WFP and the United Nations Children's Fund (UNICEF).
5. Component 2 will cover policy and systems development: unified social registry, management information systems, ID system, development of operation procedures for registration, enrolment, targeting, grievance, payment, monitoring, accountability, information campaigns, etc., and will support the integration of Government staff in the project implementation and their capacity strengthening, as well as the institutional development of the relevant government ministries. Systems and procedures developed under Component 2, for example a unified social registry, will form the foundation for a more comprehensive social protection system in Somalia.
6. Component 3 will establish project implementation units at the federal level and will provide capacity strengthening to relevant staff in the Ministry of Labour and Social Affairs (MoLSA) and other ministries. The component will also support project management and administration costs.
7. The project will be implemented by the Federal Government of Somalia with technical and operational support from WFP and UNICEF. On behalf of the Federal Government of Somalia, WFP will take a lead role in the implementation of Component 1: nutrition-linked unconditional cash transfers and will also contribute to elements of Component 2: Delivery systems and institutional capacity strengthening.
8. WFP will create a new activity under the current Strategic Outcome 2 to implement this programme. While the initial agreement with the Federal Government of Somalia and the World Bank will include funding to cover 12 months of cash transfers, the revision to the budget is extended for 2 years (from September 2019 to September 2021) anticipating its continuation. As implementation progresses in year 1, evidence and lessons learned may trigger a revision in year 2 to adjust some of the programmatic aspects, including targeting, transfer values or other capacity strengthening components.

2. CHANGES

9. *Strategic orientation*

10. There is no change in strategic orientation of the ICSP. Under Strategic Outcomes 2 and 5, WFP plans to support national institutions with strengthened policies, capacities and systems for supporting food-insecure and nutritionally vulnerable populations.
11. The new activity will be integrated under Strategic Outcome 2 and will include two components: (1) nutrition-linked unconditional cash transfers and (2) support to delivery systems and institutional capacity strengthening.
12. The cash transfer component will focus on areas of chronic vulnerability; mostly rural areas that are underserved in terms of basic social services, frequently hit by climatic shocks and where malnutrition rates are persistently high. The project will complement the humanitarian assistance as part of the 2019 drought response: communities targeted by this project that are also eligible for humanitarian food assistance will receive this as a top-up to the safety-net transfer, hence reducing the humanitarian assistance requirements in these areas¹.
13. Component 1 will support access to nutrition interventions provided by UNICEF and WFP under their respective nutrition programmes. Nutrition services are already available across the

¹ Though a degree of overlap is anticipated between the SNHCP and the relief response in areas affected by the drought during the last quarter of the year, it is difficult to estimate it before the community targeting is finalized, and also considering that the relief needs from October to December may change after the post Gu rains assessment. Once the degree of overlap and the relief needs for the remainder of the year are known, the relief requirements will be adjusted, if necessary, through another Budget Revision.

country to families with malnourished children and mothers, and those at risk of becoming malnourished. All children aged 6-23 months and PLW reached under the safety-net cash transfers will be identified (e.g. through SCOPE) and referred to prevention services when available, as well as screening to ensure acutely malnourished children aged 6-59 months and PLW are referred for treatment.

14. Beneficiary targeting will be conducted in three stages: (i) selection of districts, (ii) selection of communities in the targeted districts, and (iii) community-based targeting of households in selected communities based on the household eligibility criteria.
15. One to two districts will be selected in each of the six states of Somalia. The selected districts will meet the following selection criteria: a predominantly rural district with high distress rating, which will take into account vulnerability in terms of malnutrition, and trend analysis of past impact and/or risk of drought. Several other considerations will affect the final choice of districts: security, functionality of local markets, local level implementation capacity constraints, and ability of the implementing partners to deliver and monitor payments in those districts.
16. Within selected districts, not all communities will be covered due to the limited budget. Communities will be prioritized based on presence of nutrition facilities supported by WFP and UNICEF.
17. The selection of beneficiary households will be done through WFP's SCOPE database. WFP will produce lists of households with women and children under five years within the selected communities. WFP will then conduct household targeting using its current community-based targeting approach.
18. Tentatively, the beneficiaries of the cash transfers will be households with women and/or children aged 6-59 months that reside in target areas. Mothers or female caregivers of the children will be the direct recipients of the transfer. By focusing on this subset of households, Component 1 will contribute to preventing the deterioration of human capital as a result of the drought in the short term; in the medium to long term, it will promote human capital investment since beneficiary households will remain protected by the social safety net after the risk of drought is no longer present.
19. The design will ensure scalability, both vertical (in terms of benefit size) and horizontal (in terms of coverage). Horizontal scalability can be achieved through increasing the number of targeted districts and/or communities within them and/or targeting additional groups (elderly, disabled, etc.). The need and feasibility of increasing benefit size will be informed through evaluations.
20. Under Component 2, WFP will support the Government in the development of a consolidated beneficiary list for the safety-net component. WFP will start by refreshing and completing the registration and enrolment of beneficiaries in the safety-net using the existing SCOPE database, which already has 5.6 million people registered across Somalia. WFP will also obtain beneficiary consent for participation during the registration process.

21. *Risk Management*

22. Operational Risks: Humanitarian access to beneficiaries is challenging within the Somalia context, largely due to conflict and insecurity. To mitigate the risk, at both the interagency and country level, WFP continues to engage with local stakeholders and local partners to establish humanitarian access to vulnerable populations, as well as advocate for the safe movement of staff, partners and commodities.
23. Limited capacity and presence of cooperating partners may pose challenges to the ability of WFP to implement this activity in some areas. To mitigate the risk, WFP will collaborate with local partners following a review of their capacity, evaluating partnerships closely and augmenting capacity strengthening efforts.
24. As this is a new activity, targeting of communities and beneficiaries may also pose a programmatic challenge. This will be mitigated through extensive consultations with MoISA,

local authorities and communities, and through effective communication of objectives and targeting criteria with all parties involved in the design and implementation of the programme.

25. **Fiduciary Risks:** To mitigate the risk of diversion and misappropriation of assistance, WFP has a comprehensive risk management strategy in place that includes: triangulation of monitoring activities through on-site visits by WFP staff and Third Party Monitoring (TPM), as well as the call centre; innovative technology to track the movement of commodities and spot checks of commodities en route; marking of assistance; rigorous vetting and selection processes for cooperating partners, transporters, and retailers; and the use of biometric registration and the SCOPE platform to track the delivery of assistance.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY							
Strategic Outcome	Activity	Period	Women	Men	Girls	Boys	Total
			(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	Relief IK	Current	155,666	153,696	169,460	177,998	656,820
		Increase	-	-	-	-	-
		Revised	155,666	153,696	169,460	177,998	656,820
	Relief CBT	Current	363,221	358,624	395,406	415,329	1,532,580
		Increase	-	-	-	-	-
		Revised	363,221	358,624	395,406	415,329	1,532,580
	Urban Safety Nets CBT	Current	29,625	29,250	32,250	33,875	125,000
		Increase	-	-	-	-	-
		Revised	29,625	29,250	32,250	33,875	125,000
	Wet Feeding IK	Current	9,480	9,360	10,320	10,840	40,000
		Increase	-	-	-	-	-
		Revised	9,480	9,360	10,320	10,840	40,000
	Nutrition IK	Current	826,939	8,128	465,171	446,929	1,747,167
		Increase	-	-	-	-	-
		Revised	826,939	8,128	465,171	446,929	1,747,167
2	Livelihood IK	Current	70,255	69,366	76,480	80,334	296,435
		Increase	-	-	-	-	-
		revised	70,255	69,366	76,480	80,334	296,435
	Livelihood CBT	Current	163,928	161,853	178,454	187,446	691,681
		Increase	-	-	-	-	-
		Revised	163,928	161,853	178,454	187,446	691,681
	Urban Safety Nets CBT	Current	29,625	29,250	32,250	33,875	125,000
		Increase	-	-	-	-	-
		Revised	29,625	29,250	32,250	33,875	125,000
	School Feeding IK	Current	-	-	60,907	65,983	126,890
		Decrease	-	-	-	-	-
		Revised	-	-	60,907	65,983	126,890
	school Feeding CBT	Current	-	-	40,853	44,257	85,110
		Increase	-	-	-	-	-
		Revised	-	-	40,853	44,257	85,110
	Rural Safety Net	Current	-	-	-	-	-
		Increase	284,400	280,800	309,600	325,200	1,200,000
		Revised	284,400	280,800	309,600	325,200	1,200,000
3	Nutrition IK	Current	726,302	8,188	319,801	307,259	1,361,550
		Increase	-	-	-	-	-
		Revised	726,302	8,188	319,801	307,259	1,361,550
TOTAL (without overlap)	Current	1,155,739	827,714	1,441,922	1,474,890	4,900,265	
	Increase	284,400	280,800	309,600	325,200	1,200,000	
	Revised	1,440,139	1,108,514	1,751,522	1,800,090	6,100,265	

Transfers

26. The transfer value will be set to USD 20 per household per month delivered on a quarterly basis, which is equivalent to USD 240 per household per year. This benefit size is based on estimates and initial data on prices of the minimum expenditure basket (MEB). While the value of MEB varies significantly by region and season, rough estimates indicate that a USD 20 benefit would cover about 25 percent of the full MEB, and 31 percent of the food component of the MEB, based on March 2019 price data. Beneficiaries will start receiving assistance in October 2019.

27. Payments will be made through WFP's SCOPE system. The cash transfer will appear in the SCOPE system as a separate "wallet", i.e. a separate transfer distinguishable from any other transfers

a given household may be eligible to receive from WFP. The benefit amount will be deposited into the household's individual account under SCOPE and can be withdrawn by the beneficiary at any of the cash distribution points with Standard Chartered affiliate's branches.

	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	138,119	37,101,524	0	0	138,119	37,101,524
Pulses	15,233	11,118,913	0	0	15,233	11,118,913
Oil and Fats	11,156	11,789,455	0	0	11,156	11,789,455
Mixed and blended foods	120,089	204,509,255	0	0	120,089	204,509,255
Other	41	762,885	0	0	41	762,885
TOTAL (food)	284,637	265,282,032	0	0	284,637	265,282,032
Cash-based transfers (USD)		326,860,715		93,755,376		420,616,091
TOTAL (food and CBT value – USD)		592,142,748		93,755,376		685,898,124

3. COST BREAKDOWN

	Strategic Result 1/ SDG Target 2.1	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	Strategic Result 4/ SDG Target 2.4	Strategic Result 5/ SDG Target 17.9	Total
Strategic outcome	1	2	3	4	5	
Focus area	Crisis Response	Resilience	Resilience	Resilience	Resilience	
Transfer	-	98,914,034	-	-	-	98,914,034
Implementation	-	1,003,016	-	-	-	1,003,016
Direct support costs	<i>(no figures in the grey cells)</i>					2,006,828
Subtotal						101,923,878
Indirect support costs (6.5%)						6,625,052
TOTAL						108,548,930

Activity 7 will be fully implemented through cash-based transfer modality. As a result, the CBT transfer costs includes the fixed and variable cooperating partner costs as the majority of this plan, with additional plan for FSP transfer fee and contracted services. The implementation costs cover two international consultants (level 1) dedicated to this activity, vehicle leasing, equipment and supplies including SCOPE equipment and security costs.

TABLE 5: OVERALL CSP/ICSP/LEO COST BREAKDOWN, AFTER REVISION (USD)							
	Strategic Result 1/ SDG Target 2.1	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	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	2	3	4	5	6	
Focus area	Crisis Response	Resilience	Resilience	Resilience	Resilience	Crisis Response	
Transfer	464,273,599	293,269,498	166,927,123	29,996,430	17,489,701	63,691,216	1,035,647,566
Implementation	45,157,533	23,714,770	17,092,686	930,350	493,640	3,702,169	91,091,147
Direct support costs	34,885,690	22,438,096	13,078,589	2,184,666	1,269,793	4,761,011	78,617,843
Subtotal	544,316,821	339,422,364	197,098,397	33,111,446	19,253,133	72,154,395	1,205,356,557
Indirect support costs (6.5%)	35,380,593	22,062,454	12,811,396	2,152,244	1,251,454	4,690,036	78,348,176
TOTAL	579,697,414	361,484,818	209,909,793	35,263,690	20,504,587	76,844,431	1,283,704,733

Annex 1: Revised Line of Sight

- *Attach the LoS and indicate changes made in this revision in bold.*

