



**TRANSMITTAL SLIP – FOR SIGNATURES (CD APPROVAL)**

**Nepal country strategic plan, revision 1**

6) To:	Initials	In Date	Out Date	Reason for Delay
Country Director Pippa Bradford				
5) Through:	Initials	In Date	Out Date	Reason for Delay
Budget and Programming Officer, RBB Anchane Thaisittipong				
4) Through:	Initials	In Date	Out Date	Reason for Delay
Supply Chain Officer, RB <i>(Transfer modifications specific to supply chain)</i> [Insert Name]	N. A			
3) Through:	Initials	In Date	Out Date	Reason for Delay
Regional Monitoring Officer, RBB Luna Kim				
2) Through:	Initials	In Date	Out Date	Reason for Delay
Sr. Regional Programme Policy Adviser, RBB Kimberly Deni				
1) From:	Initials	In Date	Out Date	Reason for Delay
Country Office or Regional Bureau on behalf of Country Office				

I have reviewed the revised CSP/ICSP/Emergency Addendum and confirm that it meets the required standard, including appropriate response to the internal review process. I recommend approval of this revision.

<b>Changes</b>				
<u>Strategic outcome</u>	<u>Focus area</u>	<u>Modality</u>	<u>Activity</u>	<u>Budget</u>
<input type="checkbox"/> Addition	<input type="checkbox"/> Crisis response	<input type="checkbox"/> Food	<input type="checkbox"/> Addition	<input checked="" type="checkbox"/> Transfer value
<input checked="" type="checkbox"/> Revision	<input checked="" type="checkbox"/> Resilience building	<input checked="" type="checkbox"/> CBT	<input checked="" type="checkbox"/> Revision	<input checked="" type="checkbox"/> Transfer cost
<input type="checkbox"/> Deletion	<input type="checkbox"/> Root causes	<input type="checkbox"/> CS	<input type="checkbox"/> Deletion	<input type="checkbox"/> Implementation cost

SD Adjusted DSC**Nepal Country Strategic Plan, Budget Revision 1 - Table 1**

	<b>Current</b>	<b>Change</b>	<b>Revised</b>
<b>Duration</b>	<i>1 January – 31 December 2023</i>	-	<i>1 January – 31 December 2023</i>
<b>Beneficiaries</b>	<i>5,052,021</i>	<i>-3,376,028</i>	<i>1,675,993</i>
<b>Total Cost (USD)</b>	<b><i>125,807,010</i></b>	<b><i>11,763</i></b>	<b><i>125,818,773</i></b>
Transfer	<i>82,848,745</i>	<i>11,045</i>	<i>82,859,790</i>
Implementation	<i>17,394,679</i>	-	<i>17,394,679</i>
Adjusted direct support costs	<i>17,885,224</i>	-	<i>17,885,224</i>
<b>Subtotal</b>	<b><i>118,128,648</i></b>	<b><i>11,045</i></b>	<b><i>118,139,693</i></b>
Indirect support costs (6.5 percent)	<i>7,678,362</i>	<i>718</i>	<i>7,679,080</i>

**1. RATIONALE**

1. The Nepal Country Strategic Plan (CSP) was approved in November 2018 by the WFP Executive Board for a period of five years, starting January 2019.
2. Strategic Outcome 4 aims at strengthened government capabilities to provide essential food security and nutrition services and respond to crises by 2023. Contributing to this Outcome, under Activity 7 WFP runs a Forecast-based Financing (FbF) pilot project as an innovative mechanism to intervene in emergency preparedness at community level before a climate shock. Based on weather forecasts, WFP plans to transfer pre-positioned relief items and cash to the communities most at risk to enable the most vulnerable population to access needed resources before a disaster strikes. WFP plans to generate evidence on the effects of forecast-based emergency preparedness and promulgate innovations in early warning in close collaboration with national and local governments.
3. It is estimated that by 2050 the risks of hunger and child malnutrition may increase by 20 percent, mainly driven by climate-induced disasters (FbF, WFP Newsletter, March 2019). Despite the growing need for humanitarian response, there is a continuous funding gap in support of most humanitarian appeals.
4. Growing evidence suggests that robust early warning systems based on credible scientific weather forecasts, together with pre-agreed Standard Operating Procedures (SOP) and anticipatory action, can add significant value in increasing community resilience and reducing the need for humanitarian assistance when a disaster hits. A Return on Investment study in Nepal reveals that USD 34 are saved per USD invested over 20 years after the implementation of FbF.
5. Cash-Based Transfer (CBT) was not envisaged as a transfer modality in the original CSP for Activity 7. This budget revision proposes to add CBT, as it is essential to test the effectiveness of FbF for saving lives and livelihoods through early release of cash before an emergency hits.
6. This budget revision also considers the realignment of approved beneficiary numbers as per the new Gender and Age Marker and rectifies the total beneficiary numbers for the whole CSP period, removing overlaps of beneficiaries who receive assistance over more than one year and/or in the form of different transfer modalities.

7. The overall increase in the budget plan amounts to USD 11,763 (transfer value and related costs).

## **2. CHANGES**

### ***Strategic orientation***

8. There are no strategic changes to the CSP introduced in this revision.

### ***Strategic Outcomes***

9. There are no changes in the Strategic Outcomes planned under the originally approved CSP.
10. The FbF project under Activity 7 focuses on four highly vulnerable districts (namely Jhapa, Saptari, Banke and Bardiya) in 2019. Based on a household risk assessment, the cash-based early action component of the FbF project targets 1,650 beneficiaries. A cash transfer mechanism has been arranged, and non-food relief items have been pre-positioned in warehouses in the four districts. Warehouses are co-financed by WFP and the local governments. To strengthen the preparedness capacity of local governments and communities, as part of the FbF project, government staff has been trained in warehouse management and forecast-based resource transfers to vulnerable households. WFP also organizes emergency preparedness simulations focusing on Search & Rescue and First Aid. Emergency logistics with Local Emergency Operation Centres are being set up at community-level for timely and effective early warning and early action.
11. As part of its technical assistance to the Government of Nepal, WFP measures the reliability of forecasts, testing the application of satellite rainfall estimation, developing a forecast-based inundation model, building a WEBGIS tool to automate and visualize forecast based inundation maps, and assessing the risk at household-level to target beneficiaries. SOPs (set of anticipatory actions for different time scale of forecasts) have been developed in nearly all flood-prone districts in the country, and integrated into the Disaster Preparedness and Response Plans of each district. Furthermore, the National Disaster Risk Reduction Policy 2075 has endorsed forecast-based emergency preparedness as an approach and outlines effective preparedness and coordinated actions between government actors at all levels.

### ***Beneficiary analysis***

12. In the CSP document, the total number of beneficiaries for the whole CSP period had not taken into account year-to-year overlap of beneficiaries nor the overlap of beneficiaries receiving assistance through more than one transfer modality (e.g. food and capacity strengthening). Therefore, this budget revision removes the overlaps among beneficiary numbers. In addition, communities targeted through social and behaviour change communication (SBCC) had been included in the overall number of targeted beneficiaries under Activity 2, which has now been rectified according to corporate guidelines. At the same time, in line with the planned FbF early action component, 1,650 beneficiaries have been added to Activity 7. Since the CSP budget is calculated on the beneficiary numbers for each year and the number of SBCC beneficiaries does not affect the overall budget for capacity strengthening activities, there is no significant change in the budget. Activity 8 sees an increase of 2,000 capacity strengthening beneficiaries, which were missing in the

original CSP beneficiary table. Changes in the number of planned beneficiaries are detailed in Table 2.

**TABLE 2: BENEFICIARIES BY STRATEGIC OUTCOME & ACTIVITY (ALL YEARS)**

TABLE 2: BENEFICIARIES BY STRATEGIC OUTCOME & ACTIVITY (ALL YEARS)								
Strategic Outcome	Activities	Total Current	Total Decreased/	Revised				Revised Total
				Girls	Boys	Men	Women	
Strategic Outcome 1	ACTIVITY 1	736,520	-	185,770	192,258	148,567	209,925	736,520
Strategic Outcome 2	ACTIVITY 2	3,012,610	(2,727,870)	43,824	42,088	69,089	129,739	284,740
	ACTIVITY 3	750,750	(413,688)	176,581	158,731	893	857	337,062
	ACTIVITY 4	135	-	-	-	66	69	135
Strategic Outcome 3	ACTIVITY 5	547,864	(234,117)	18,007	18,567	134,731	142,441	313,747
Strategic Outcome 4	ACTIVITY 6	1,142	-	-	-	560	582	1,142
	ACTIVITY 7	3,000	(7,650)	340	350	1,920	2,040	4,650
Strategic Outcome 5	ACTIVITY 8	-	2,000	-	-	980	1,020	2,000
<b>TOTAL without overlap</b>		<b>5,052,021</b>	<b>(3,381,325)</b>	<b>424,523</b>	<b>411,994</b>	<b>356,806</b>	<b>486,673</b>	<b>1,679,996</b>
Deducted overlap between Act 2 & Act 5								4003
<b>Total Final</b>								<b>1,675,993</b>

## Transfers

### 13. Changes in CBT requirements and values. Table 3

TOTAL FOOD AND CBT REQUIREMENTS AND VALUES						
Food Type/CBT	Current		Increased/Decreased		Revised	
	Total (MT)	Total (USD)	Total (MT)	Total (USD)	Total (MT)	Total (USD)
Rice	14,118	6,209,328	-	0	14,118	6,209,328
Pulses	3,286	2,268,042	-	0	3,286	2,268,042
Vegetable oil	1,498	1,716,708	-	0	1,498	1,716,708
Salt	300	63,515	-	0	300	63,515
Super cereal	4,493	3,594,283	-	0	4,493	3,594,283
Plumpy Sup	488	1,171,584	-	0	488	1,171,584
<b>Total (food)</b>	<b>24,183</b>	<b>15,023,460</b>	-	0	24,183	15,023,460
CBT (USD)		20,572,555		10,495		20,583,050
<b>Total (food &amp; CBT Value)</b>		<b>35,596,015</b>		<b>10,495</b>		<b>35,606,510</b>

## Country Portfolio Budget

### 14. The overall budget has been increased by US\$ 11,763. Table 4

COUNTRY PORTFOLIO BUDGET (USD)								
Strategic Outcome Code	Current Budget	Increase/Decrease Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Total
			2019	2020	2021	2022	2023	
Strategic Outcome 1	13,199,224	(197)	5,704,595	-	4,426,249	-	3,068,183	13,199,027
Strategic Outcome 2	52,874,563	(1,006)	14,114,020	12,845,759	10,404,373	8,256,770	7,252,635	52,873,557
Strategic Outcome 3	45,163,984	(763)	9,654,083	10,654,519	9,628,847	8,432,979	6,792,794	45,163,221
Strategic Outcome 4	9,523,164	13,803	2,963,658	2,448,718	1,522,346	1,443,054	1,159,190	9,536,966
Strategic Outcome 5	5,046,076	(73)	979,767	981,681	979,256	1,023,684	1,081,614	5,046,002
<b>Total Needs Based Plan</b>	<b>125,807,010</b>	<b>11,763</b>	<b>33,416,124</b>	<b>26,930,676</b>	<b>26,961,071</b>	<b>19,156,487</b>	<b>19,354,415</b>	<b>125,818,773</b>