

COUNTRY STRATEGIC PLAN REVISION
--

REVISION – FOR APPROVAL**Myanmar country strategic plan, revision 4**

Gender and age marker code: 2A

	Current	Change	Revised
Duration	1 January 2019 - 31 December 2022	N/A	N/A
Beneficiaries	<i>2,755,800</i>	<i>+ 50,600</i>	<i>2,806,400</i>
Total Cost (USD)	336,860,001	88,476,717	425,336,719
Transfer	265,166,938	75,086,570	340,253,508
Implementation	33,393,876	5,870,373	39,264,248
Direct Support Costs	17,739,657	2,119,788	19,859,444
Sub-total	316,300,470	83,076,730	399,377,200
Indirect Support Costs	20,559,531	5,399,987	25,959,518

Myanmar country strategic plan, revision 4

1. RATIONALE

1. This is the fourth budget revision to the Myanmar Country Strategic Plan (CSP 2018 – 2022). The proposed changes are non-fundamental in nature, consisting of a budget increase to Strategic Outcome 1 (Activity 1), Strategic Outcome 2 (Activities 3 and 4), a reduction of the Activity 5 budget under Strategic Outcome 2 (to be replaced as Activity 9 under Strategic Outcome 3), and the re-alignment of staff costs as per new corporate guidelines. This budget revision also includes minor adjustments downwards for Activities 2 and 4, and an increase in Activity 8.
2. The revision to Strategic Outcome 1 has been triggered by higher-than-anticipated needs, particularly in Rakhine State. The CSP document – which was formulated prior to the events on and following 25 August 2017 in Rakhine State – envisioned a decline in relief beneficiaries over the course of the 5-year CSP. However, this assumption has not materialized. On the contrary, WFP has steadily scaled up its assistance since late 2017, with continued increases in 2019.
3. In addition, the transfer modality in the central part of Rakhine State shifted from a full in-kind food basket to rice-plus-cash in June 2019. This shift represents an acknowledgment of the need to provide camp residents with greater choice and dignity in the nature of assistance they receive, in line with a more nuanced understanding of market capacity and the intention to increase operational efficiencies. Post-distribution monitoring from October 2018 and January 2019 indicated that 91 percent of households were satisfied with receiving their entitlements partially in cash. Although 13 percent of households indicated challenges accessing markets, this has been addressed through market-based interventions in the concerned locations. For example, WFP has worked with local traders to ensure well-supplied markets in places where the preferred food basket items were not readily available for purchase. A cash-based approach will also allow for greater flexibility for any future support to beneficiaries impacted by the Government's camp closure policy, the full impact of which is yet to be understood. A pilot in late 2019 will determine if, and at what pace, the operation moves to a full cash approach in 2020.
4. Under Strategic Outcome 2, the budget for Activity 3 (school feeding) is being increased as the result of an adjustment in the cash value in order to meet the minimum dietary intake for children in primary school. As WFP is supporting the Government's vision of a home-grown school feeding programme using locally-available foods, the CSP marks a transition from snacks to hot meals. However, the cost for providing hot meals had been underestimated in the CSP, as it was based on the cost of fortified High Energy Biscuits (HEB), which is now being corrected. This budget revision also reflects a greater shift from food to the cash modality, reducing the number of school children who will receive HEB, and increasing the recipients of hot school meals.
5. The third proposed change to the CSP involves including WFP's assistance to HIV and TB patients under Strategic Outcome 3 (nutrition). Assistance to HIV/TB patients is currently included in the CSP as Activity 5 under Strategic Outcome 2 (social protection). However, the activity is more naturally housed under Strategic Outcome 3 given the nutritional objectives of the activity, the nature of technical support required, and the management of HIV/TB treatment in Myanmar by the Ministry of Health and Sports.

6. The CSP has previously undergone one substantive, but non-fundamental budget revision (revision 3), consisting of budget increases/decreases to existing Strategic Outcomes and Activities. These budget adjustments were the result of changes to the operating environment in Myanmar, the faster-than-anticipated shift to cash-based transfers (CBT), as well as the shift from snacks to hot school meals. Budget revision 3 was approved by the Regional Director in November 2018. In addition, i) budget revision 1 (901) was processed by headquarters in response to the change in the indirect support cost (ISC) rate from 7 percent to 6.5 percent in 2018 and ii) budget revision 2 (902) made technical adjustments in WINGS and the Budget and Programming Tool without any changes in the value of the CSP.
7. The current budget revision 4 will cover the period July 2019 – December 2022.

2. CHANGES

Strategic orientation

8. The overall strategic orientation of the CSP will remain unchanged. However, given the addition of HIV/TB patients to Strategic Outcome 3 (nutrition), the outcome statement will be modified to reflect the new group of beneficiaries.

Strategic outcomes

9. The paragraphs below outline the changes to the existing Strategic Outcomes under this budget revision.
10. Activity 1 (Strategic Outcome 1): In contrast to the decline in relief beneficiaries envisioned in the CSP, recent events have led to the expansion of WFP's relief activities, particularly in Rakhine State. In the northern part of Rakhine State, budget revision 3 planned for general food distributions to 100,000 beneficiaries from 2018 to 2019. Current budget revision 4 expands the assistance period from 2020 to 2022 to the same beneficiaries. Plans for providing cash assistance to 20,000 beneficiaries in northern Rakhine had to be reverted in this budget revision due to market instability, as well as security and protection concerns for the target population.

Planned relief beneficiaries in the central part of Rakhine State have increased by 36,800 crisis-affected people and 3,800 protracted relief beneficiaries. with plans to shift to full cash-based assistance over the remaining CSP period, where feasible. Furthermore, ongoing armed conflict between the Arakan Army (AA) and the Myanmar military (the Tatmadaw) has forced new displacement in Rakhine and Chin (Paletwa) states since late 2018, resulting in 30,000 additional beneficiaries in 2019, which are now included in budget revision 4 to receive general food assistance.

In other parts of the country, the continuation – and in some cases, escalation – of armed conflict in Kachin and northern Shan have delayed the transition strategy for assistance to internally displaced people. While budget revision 3, approved in November 2018, reflected the changing circumstances to WFP's relief operations, figures were only revised for the period August 2018 – June 2019, as it was difficult at the time to estimate projected needs beyond this timeframe. The current budget revision reflects the best estimate of the needs in Rakhine State and elsewhere through the duration of the CSP.

Activity 3 (Strategic Outcome 2): the school feeding programme uses two modalities: 1. HEB, 2. cash for the provision of on-site hot school meals. WFP is gradually shifting

to hot school meals in Myanmar where feasible to support the transition to a nationally owned, sustainable school feeding programme built on sourcing locally-produced foods to provide a balanced, diverse and nutritious diet for children in school. WFP works closely with the Government to improve children's access to nutritious food while they are in school and strengthen children's and parents' nutrition knowledge. Through multi-sectoral working groups, WFP supports the implementation of nutrition-sensitive home-grown school feeding, including through school garden pilot projects that integrate asset creation and livelihood programmes with nutrition, health and hygiene education.

11. In the approved CSP, the cash requirement for the provision of hot school meals was estimated at USD 20 per child, per year. This amount proved insufficient to purchase the necessary commodities for a nutritious meal in school. After further discussions with field teams and government counterparts, and taking into account local market prices, the estimated cost per child, per year is increased to USD 50 in this budget revision. This budget revision reflects the best estimate of needs for the school feeding programme from July 2019 until the end of the CSP, considering the expansion of the cash modality and the increased cash value outlined above.
12. Strategic Outcomes 2 and 3: Assistance to HIV/TB patients (Activity 5) is currently included in the CSP under Strategic Outcome 2 (social protection). However, the activity's primary objectives are patient care and treatment, with nutritional recovery as the ultimate goal. Technical support for this activity is provided by nutrition specialists, and HIV/TB treatment in Myanmar falls under the purview of the Ministry of Health and Sports. For these reasons, the activity is better aligned to Strategic Outcome 3. Therefore, a new Activity 9 will be created under Strategic Outcome 3, with the budget for the current Activity 5 to be reduced to the current level of expenditure.
13. The gender budget has been increased in this revision 4 to account for the roll-out of a new Complaints and Feedback Mechanism (CFM) which started in May 2019. As a crucial tool to increase WFP's accountability to affected populations, the new CFM will enable WFP to monitor and respond to any questions or concerns voiced by community members in a more coherent and standardized way organization-wide. This will help WFP to efficiently address the different needs of women, men, boys and girls.

Beneficiary analysis

14. This budget revision reflects a significant increase in the number of planned beneficiaries under Activity 1. The number of beneficiaries under Activity 3 remains within the original CSP plan – the budget revision is required only for the expansion of the cash modality and increased cash value. It also incorporates the shift of beneficiaries from the current Activity 5 to the new Activity 9.

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY							
Strategic Outcome	Activity	Period	Women	Men	Girl	Boys	Total
1	Activity[1]/ URT1:01	Current	123,400	112,900	143,400	145,300	525,000
		Increase/decrease	9,800	6,300	15,700	18,800	50,600
		Revised	133,200	119,200	159,100	164,100	575,600
2	Activity[3]/ SMP1	Current	-	-	494,600	508,000	1,002,600
		Increase/decrease	-	-	100	(100)	-
		Revised	-	-	494,700	507,900	1,002,600
	Activity[4]/ ACL1	Current	209,900	193,800	154,500	141,400	699,600
		Increase/decrease	-	-	-	-	-
		Revised	209,900	193,800	154,500	141,400	699,600
	Activity[5]/ URT1	Current	57,750	51,500	800	1,200	111,250
		Increase/decrease	(35,250)	(31,600)	(500)	(730)	(68,080)
		Revised	22,500	19,900	300	470	43,170
3	Activity[7]/ NPA1	Current	40,500	-	25,000	26,600	92,100
		Increase/decrease	-	-	-	-	-
		Revised	40,500	-	25,000	26,600	92,100
	Activity[8]/ NTA	Current	92,500	-	184,500	171,100	448,100
		Increase/decrease	-	-	-	-	-
		Revised	92,500	-	184,500	171,100	448,100
	Activity[9]/ URT1:09	Current	-	-	-	-	-
		Increase/decrease	35,350	31,500	450	780	68,080
		Revised	35,350	31,500	450	780	68,080
TOTAL <i>(without overlap)</i>		Current	463,000	347,200	945,300	1,000,300	2,755,800
		Increase/decrease	9,800	6,300	15,700	18,800	50,600
		Revised	472,800	353,500	961,000	1,019,100	2,806,400

Transfers

15. As noted above, WFP shifted its emergency assistance modality for crisis-affected people in the central part of Rakhine State from a full in-kind food basket to rice + cash starting in June 2019. A further transition to an all-cash entitlement is foreseen with a pilot project starting in October 2019 and scaling up into 2020. This budget revision covers for an increase of 103,800 cash beneficiaries in central Rakhine, including new beneficiaries and those transferring from receiving in-kind food or mixed modality assistance. Activity 3 will also see an accelerated shift from food- to cash-based assistance.

Transfer Costs

16. As per the changes made in the Food Transfer modality, Supply Chain matrices are revised for food activities. The logistics network and procurement strategy are aligned with the revised food requirement and distribution plan.

17. Some Food Transfer Cost (FTC) are also shifted to or budgeted under IMP/DSC according to the update guidelines for Supply Chain Budgeting. It includes (i) Supply Chain staff travel, (ii) Equipment and Supplies, (iii) TC/IT Equipment cost, and (iv) Security cost. A significant decrease is found for all food activities, but not in the total CSP budget of MM01 project.

18. FTC rate for the recovery of LESS investment has decreased from 4 to 1 USD per MT.

19. A decrease is found for Activity 1 for three main reasons; (i) reduction in the number of staff head count - staffing cost, (ii) less costly destinations for food transportation, and (iii) lower FLA distribution costs. In addition to this, almost 99 percent of total food commodity required will be procured from the local markets.
20. Similarly, a decrease is found for activity 7 and 8, mainly because of lower commodity insurance and FLA distribution costs. In the previous matrix, a portion to cover FTC deficit is also included and now it has been removed in this revision exercise.
21. It is to be noted that activity 7 and 8 under SO 3 are nutrition activities that require expertise and a comprehensive follow up (including post-distribution monitoring by CPs) which is linked to highly skilled/expert staffing requirements. Food quantities handed over for nutrition interventions are small and projects tend to be implemented in very remote/hard to reach the locations. Thus, such rigorous/high-quality programmes result in high CP FLA costs for Activity 7 and 8.

Food type / cash-based transfer	Current Budget		Increase/Decrease		Revised Budget	
	Total (MT)	Total (USD)	Total (MT)	Total (USD)	Total (MT)	Total (USD)
CEREALS	95,824	31,142,768	55,596	18,068,603	151,420	49,211,370
MISCELLANEOUS	1,017	152,577	427	63,999	1,444	216,576
MIXED AND BLENDED	55,626	54,268,922	-2,287	-2,449,270	53,339	51,819,652
OILS & FATS	6,244	5,681,632	2,560	2,329,564	8,804	8,011,196
PULSES	13,639	8,183,246	4,348	2,608,632	17,986	10,791,878
Total (FOOD)	172,350	99,429,145	60,643	20,621,527	232,993	120,050,672
CBT TRANSFER VALUE		80,093,570		48,062,755		128,156,325
TOTAL (Food and CBT value - USD)	172,350	179,522,715	60,643	68,684,282	232,993	248,206,997

1. COST BREAKDOWN

WFP Strategic Results/SDG Targets	SR 01	SR 01	SR 02	TOTAL
WFP Strategic Outcomes	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	
Focus Area	01 CRISIS RESPONSE	02 RESILIENCE BUILDING	02 RESILIENCE BUILDING	
Transfer	68,507,849	-1,281,771	7,860,491	
Implementation	3,847,618	456,200	1,566,555	5,870,373
Direct Support Costs				2,119,788
Sub-total				83,076,730
Indirect Support Costs				5,399,987
TOTAL				88,476,717

TABLE 5: OVERALL CSP/ICSP/LEO COST BREAKDOWN, AFTER REVISION (USD)				
WFP Strategic Results/ SDG Targets	SR 01	SR 01	SR 02	TOTAL
WFP Strategic Outcomes	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	
Focus Area	01 - CRISIS RESPONSE	02 - RESILIENCE BUILDING	02 - RESILIENCE BUILDING	
Transfer	176,978,598	111,124,413	52,150,496	
Implementation	19,453,932	12,500,985	7,309,331	39,264,248
Direct Support Costs	10,243,675	6,498,496	3,117,273	19,859,444
Sub-total	206,676,205	130,123,895	62,577,101	399,377,200
Indirect Support Costs	13,433,953	8,458,053	4,067,512	25,959,518
TOTAL	220,110,158	138,581,948	66,644,612	425,336,719

Annex 1: Revised Line of Sight

MYANMAR (CSP 2018 – 2022)		
SR 1 – Everyone has access to food (SDG target 2.1)		SR 2 – No one suffers from malnutrition (SDG target 2.2)
CRISIS RESPONSE	RESILIENCE BUILDING	RESILIENCE BUILDING
OUTCOME 1: Crisis-affected people in food-insecure areas meet their food and nutrition needs all year round	OUTCOME 2: Vulnerable people in states and regions with high food insecurity and/or malnutrition have access to food all year round	OUTCOME 3: Children under 5 and other nutritionally vulnerable groups in Myanmar have improved nutrition in line with national targets by 2022
BUDGET SO 1: \$ 220,110,158	BUDGET SO 2: \$ 138,581,948	BUDGET SO 3: \$ 66,644,612
OUTPUTS: <ul style="list-style-type: none"> Crisis-affected women, men, girls and boys receive food and/or cash-based transfers in a timely manner to meet their daily food and nutrition needs (Tier 1). (Activity 1) 	OUTPUTS: <ul style="list-style-type: none"> Food insecure people benefit from strengthened national programmes to enhance access to food (Tier 3). (C, J, K, L, M, N). Linked to Activity 2, 3. Targeted girls and boys (Tier 1) receive school meals or snacks to improve access to food (A1, B). Linked to Activity 3. Targeted women, men, girls and boys (Tier 1) receive health and nutrition education through schools, to improve nutrition knowledge (E*). Linked to Activity 3. Food-insecure women and men (Tier 1) receive CBTs or food transfers to meet household food and nutrition needs through asset creation (A2, B). Linked to Activity 4. Community members (Tier 2) benefit from the creation and rehabilitation of assets to improve resilience to disasters and enhance livelihoods (D). Linked to Activity 4. Community members (Tier 2) benefit from health and nutrition education to improve nutrition knowledge (E, E*). Linked to Activity 4. PLHIV and TB patients receive food and/or CBTs to meet their food and nutrition needs (Tier 1). PLHIV, TB patients and caregivers receive health and nutrition messaging and counselling to improve nutrition knowledge (Tier 1). 	OUTPUTS: <ul style="list-style-type: none"> Children under 5 and other nutritionally vulnerable groups (Tier 3) benefit from strengthened government capacity to improve the implementation of national nutrition interventions (C, J, K, M). Linked to Activity 6. Pregnant and lactating women and girls, children under 2 and adolescent girls (Tier 1) receive CBTs and food transfers to meet their nutrition needs (A1, B). Linked to Activity 7. Women and men caregivers, adolescent girls, pregnant and lactating women and girls, and community members (Tier 1) benefit from SBCC in nutrition, care practices and healthy diets to improve their knowledge, attitudes and practices (E). Linked to Activity 7. Malnourished girls and boys under 5 and pregnant and lactating women and adolescent girls (Tier 1) receive a comprehensive nutrition package to treat acute malnutrition (A1). Linked to Activity 8. Girls and boys under 5 and pregnant and lactating women and adolescent girls (Tier 1) who are affected by crisis or at risk receive a comprehensive nutrition package to prevent acute malnutrition (E). Linked to Activity 8. PLHIV and TB patients (Tier 1) receive food and/or CBTs to meet their food and nutrition needs (A1). Linked to Activity 9. PLHIV, TB patients and caregivers (Tier 1) receive health and nutrition messaging and counselling to improve nutrition knowledge (E). Linked to Activity 9.
ACTIVITY 1: Provide unconditional food transfers and/or CBTs to populations affected by crisis (cat. 1; modality: food, CBT)	ACTIVITY 2: Provide technical advice, policy support and training for the Government to improve delivery of national social protection and emergency preparedness programmes and food systems (cat. 9; modality: CS)	ACTIVITY 6: Provide implementation support, research-based advice and technical assistance on national policies and action plans for the Government and partners (cat. 9; modality: CS).
	ACTIVITY 3: Implement a comprehensive school feeding programme in targeted schools in support of the national programme (cat. 1; modality: food, CBT, CS)	ACTIVITY 7: Implement preventive nutrition interventions for adolescent girls, pregnant and lactating women and girls, and children under 2, and roll out community infant and young child feeding programmes, CBTs for mothers of young children, and SBCC (cat. 1; modality: food, CBT).
	ACTIVITY 4: Provide conditional food or cash-based assistance in support of the creation and rehabilitation of assets, combined with nutrition messaging for targeted populations (cat. 1; modality: food, CBT)	ACTIVITY 8: Provide specialized nutritious foods for the treatment and management of acute malnutrition among pregnant and lactating women and adolescent girls, and children under 5 (cat. 1; modality: food).
	ACTIVITY 5: Provide unconditional food and/or cash-based assistance combined with nutrition messaging and counselling for PLHIV and TB patients (cat. 1; modality: food, CBT)	ACTIVITY 9: Provide unconditional food and/or cash-based assistance combined with nutrition messaging and counselling for PLHIV and TB patients (cat. 1; modality: food, CBT).
		TOTAL BUDGET: \$ 425,336,719